



City of Westminster

# Committee Agenda

Title: **Audit and Performance Committee**

Meeting Date: **Wednesday 16th February, 2022**

Time: **6.30 pm**

Venue: **Hybrid via MS Teams and 18th Floor, 64 Victoria Street, London, SW1E 6QP**

Members: **Councillors:**

Ian Rowley (Chairman)  
David Boothroyd  
Danny Chalkley  
Antonia Cox



**Members of the public and press are welcome to attend the meeting and listen to the discussion of Part I of the Agenda. Admission to the public gallery is by ticket, issued from the ground floor reception from 6.00pm. If you have a disability and require any special assistance, please contact the Committee Officer (details listed below) in advance of the meeting.**

**[Link to live meeting](#)**

**This meeting will be live-streamed and recorded. To access the recording after the meeting, please revisit the link.**



**An Induction loop operates to enhance sound for anyone wearing a hearing aid or using a transmitter. If you require any further information, please contact the Committee Officer, Artemis Kassi, Lead Scrutiny Advisor.**

**Email: [akassi@westminster.gov.uk](mailto:akassi@westminster.gov.uk)**

**Corporate Website: [www.westminster.gov.uk](http://www.westminster.gov.uk)**

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

## **AGENDA**

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

**1. MEMBERSHIP**

To note any changes to the membership.

**2. DECLARATIONS OF INTEREST**

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

**3. MINUTES**

To approve the minutes of the Committee's meeting on Wednesday 1 December 2021.

**(Pages 5 - 16)**

**4. PERFORMANCE REPORT BY THE METROPOLITAN POLICE SERVICE**

To monitor and review the performance of the Metropolitan Police Service's Basic Command Unit for Westminster.

**(Pages 17 - 42)**

**5. IMMUNISATIONS**

To monitor and review progress (including the Covid-19 vaccination programme) since the previous report to the Committee on 23 September 2020.

**(Pages 43 - 70)**

**6. COUNCIL STAFF REMUNERATION**

To consider and review the Council's pay schemes, as per the Constitution. This report follows a report which was originally received at the Committee's meeting on 1 December 2021, when the Committee requested a more comprehensive report.

**(Pages 71 - 82)**

**7. INTERNAL AUDIT PROGRESS REPORT**

A report summarising the work of Internal Audit in the period December 2021 to January 2022.

**(Pages 83 - 94)**

**8. INTERNAL AUDIT PLAN REPORT**

**(Pages 95 -  
106)**

To report assurances to the Council that it has robust systems and controls in place to meet its priorities.

**9. ETHICAL STANDARDS**

**(Pages 107 -  
116)**

To discuss the Annual Report and actions taken to maintain high standards of ethical governance throughout the City Council and note any areas of ethical governance which have not been addressed in the report, for inclusion in the next annual report.

**10. FINANCIAL AND PERFORMANCE MONITORING REPORTS**

**(Pages 117 -  
204)**

To note the findings of the Period 9 Financial Monitoring Report for 2021/2022.

To receive report updates on the assessments against organisational performance, including progress toward City for All objectives, for the Quarter 3 Performance Monitoring Report.

**11. EXTERNAL AUDIT VALUE FOR MONEY REVIEW**

**(Pages 205 -  
232)**

To consider a report by the Council's External Auditors, Grant Thornton, on the Value for Money assessment which, in line with National Audit Office regulations, ensures that local authorities have put in place proper arrangements to secure economy, efficiency and effectiveness in their use of resources.

**12. REPORT ON THE APPOINTMENT OF EXTERNAL AUDITORS**

**(Pages 233 -  
236)**

To receive a report on the proposal to accept the Public Sector Audit Appointments (PSAA) invitation to use its framework to appoint external auditor for five financial years commencing 1 April 2023, with a view to making a recommendation to Full Council.

**13. REPORT ON THE FINANCIAL MANAGEMENT CODE**

**(Pages 237 -  
266)**

To receive and note a report to inform the Committee of the Council's self-assessment of compliance with the CIPFA Financial Management Code.

**14. WORK PROGRAMME**

To receive a report on and review the Committee's work programme for the remainder of the municipal year 2021/2022.

**15. ANY OTHER BUSINESS**

To review any other business which the Chairman considers urgent.

**(Pages 267 -  
284)**

**Stuart Love  
Chief Executive  
7 February 2022**





**CITY OF WESTMINSTER**

# MINUTES

## **Audit and Performance Committee**

### **MINUTES OF PROCEEDINGS**

Minutes of a hybrid meeting of the **Audit and Performance Committee** held in person in Rooms 18.01 – 18.03 at Westminster City Hall, 64 Victoria Street, Westminster and via Microsoft Teams at 18:30 on Wednesday, 1 December 2021.

**Members Present:** Councillors Ian Rowley (Chairman), Barbara Arzymanow, David Boothroyd, and Antonia Cox.

**Also Present:** Jake Bacchus (Director of Corporate Finance, F&R), Nick Byrom (Strategic Performance Manager, I&C), Mathew Dawson (SFM, Treasury and Pensions, F&R; virtually), Kumbirai Dzumbunu (Strategic Workforce Data Lead, People Services), Zoe Evans (Complaints and Customer Manager, F&R), Bernie Flaherty (Executive Director, Adult Social Care and Public Health), Ian Heggs (Bi-Borough Director of Education, Children's Services; virtually), Martin Hinckley (Director of Revenues and Benefits), David Hughes (Tri-Borough Director, Audit, Risk and Fraud; virtually), Andy Hyatt (Tri-Borough Head of Fraud; virtually), Debbie Jackson (Executive Director, Growth, Planning and Housing), Alex Juon (Head of Service South and West; virtually), Artemis Kassi (Lead Scrutiny Advisor/Statutory Officer), Moira Mackie (Head of Internal Audit), Raj Mistry (Executive Director for Environment and City Management; virtually), Mo Rahman (Head of Strategy and Performance, I&C), Anna Raleigh (Director of Public Health), Sophie Shore (Director of Strategy and Intelligence, Innovation and Change), Rikin Tailor (SFM Head of Corporate Finance, F&R), Phil Triggs (Tri-Borough Director of Treasury and Pensions) and Neil Wightman (Director of Housing; virtually)

## **1 MEMBERSHIP**

- 1.1 Councillor Danny Chalkley sent apologies.
- 1.2 Councillor Barbara Arzymanow attended as substitute for Councillor Danny Chalkley.

## **2 DECLARATIONS OF INTEREST**

- 2.1 There were no declarations of interest.

## **3. MINUTES**

- 3.1 The Committee approved the minutes of its meeting on 29 September 2021.

3.2 **RESOLVED:** That the Committee approve the minutes of 29 September 2021.

#### 4. **FINANCE AND PERFORMANCE MONITORING REPORTS**

4.1 The Committee received the Finance and Performance Monitoring Reports, which were introduced by Jake Bacchus.

##### **Finance Monitoring Report**

4.2 Jake Bacchus summarised the Finance Monitoring Report, noting it was the year mid-point report outlining the position for the General Fund and the Housing Revenue Account (HRA).

4.3 The Committee heard that at the end of September 2021, Westminster City Council had a forecast revenue overspend of £4.6 million, driven by lowered commercial waste income and parking income, although parking income was noted to be improving in comparison to its previous positions throughout the COVID-19 pandemic period.

4.4 Some of the overspend was also attributable to spending pressures, including reduction in funding for care leavers requiring increased spend in Children's Services, as well as SEND transport and short breaks, mirroring the picture nationally.

4.5 A £2.7 million revenue underspend was forecast for the HRA, mainly attributable to staffing and an imminent restructure.

4.6 The General Fund reported a £33 million capital underspend, reduced from £100 million in the previous year, and approximately £50 million in the year prior to the pandemic. The causes of the underspend included slippage in planned capital works and regeneration programmes.

4.7 The HRA reported a £26 million capital underspend, reduced from £68 million in the previous year.

4.8 Regarding the Spending Review, the Committee heard that Westminster City Council anticipated learning its settlement amount imminently, and the Finance and Resource team would prepare an update for the next Audit and Performance Committee meeting regarding this. It was believed that the increase in funding would be approximately 3% in real terms of Core Spending Power year-on-year, which was expected to be largely allocated to adult social care funding reform.

4.9 The Committee raised a query about the timing of the upcoming Business Support Function Review (BSFR). The Committee was informed by Jake Bacchus that more information would be available at the next Committee meeting as a decision had very recently been made and consequently the BSFR was being reworked.

4.10 The Committee queried the Adult Social Care underspend in the context of a reported increase in demand. Bernie Flaherty confirmed that the budget for

Adult Social Care had been very volatile, that there had been a substantial increase in residential care demand, and that although there had been an increase in home care demand, this was not yet to expected levels. Bernie Flaherty explained that there had been changes in regulations concerning patient discharge, and that the health service had been better supporting patient discharge from hospital with grant funding, which had helped with Council care spend. She also explained that there had been significant savings made by reducing staffing in adult social care, including agency staffing.

- 4.11 The Committee asked about Temporary Accommodation (TA), concerning a review of the use of social housing stock which was void due to regeneration programmes. Debbie Jackson explained that some void social housing was let for TA on a case-by-case basis.
- 4.12 The Committee questioned the overspend for Westminster Builds including out-of-borough schemes and investment acquisitions. Debbie Jackson explained that this was due to acquisitions at Farm Street, Parsons North, and West End Gate. The Committee heard that Cabinet had not approved Westminster Builds' involvement in out-of-borough schemes, requesting instead that the focus be on delivery of homes in Westminster. Regarding out-of-borough housing, the Committee queried how acquisition of out-of-borough properties for TA was funded. It heard that there was existing provision in the Capital Budget for financing acquisitions through borrowing, delivering longer-term net savings through reduction in emergency TA costs.
- 4.13 The Committee questioned the Council Tax and National Non-Domestic Rates (NNDR) arrears and collection rates. Martin Hinckley explained that, although the Covid19 pandemic had meant that the Council was prevented for a period of time from initiating recovery proceedings, it was anticipated that Council Tax arrears would yet be collected over time. It was noted that the 9% reduction in NNDR income included a large number of businesses in insolvency proceedings or administration, so this may not be recovered.
- 4.14 The Committee was informed that Planning income (chiefly from pre-applications and major applications) was significantly reduced, with applications at around 50% of pre-pandemic levels.
- 4.15 The Committee requested information about upward pressure on spend for passenger transport for SEND children. Ian Heggs explained that there were increased requests for Education, Health, and Care Assessments for disabled children, and some of these assessments when finalised revealed requirements for passenger transport. This was noted to be a national issue rather than a local one.
- 4.16 There was discussion about how the impact of COVID-19 had been accounted for overall in the figures presented to the Committee. Rikin Tailor explained that the process had taken the impact of the pandemic into account whilst producing budgets, resulting in reduced variances.

#### **Performance Monitoring Report Q1**

- 4.17 The Committee was presented with a brief overview of the 2021/22 Q2 Performance Report by Mo Rahman.

- 4.18 The Committee queried whether the Department for Education's closure of the Sir Simon Milton UTC was forecast to have an impact on training and skills opportunities in Westminster. Ian Heggs confirmed that Westminster City Council would prefer to be able to provide high-quality technical training opportunities at the UTC site, and the DfE was investigating possibilities for alternative providers.
- 4.19 The Committee questioned some of the missed targets described in the monitoring report. These included new permanent admissions to adult residential and nursing care, and the surplus of school places as well as schools in deficit.
- 4.20 The Committee was informed that new guidance introduced by NHS England, Discharge to Assess, was a significant change from the previous model of assessment by a specialist social care team based in hospitals. This team previously carried out assessments of care needs prior to discharge, to ensure a well-planned discharge with appropriate care arrangements for the patient, ideally at home. Discharge to Assess required hospitals to focus on quick discharges, which meant that social care teams had been unable to provide the previous level of support to allow patients to return home. Many of these patients were therefore discharged by health service staff into residential care facilities, and it frequently proved difficult for Adult Social Care to support a return home after a period in residential care. This was a key driver for the increased new permanent admissions to residential care. The health service had provided funding, but this was due to end in March 2022, and therefore this was noted as a key risk.
- 4.21 The school places surplus was noted as following a trend with fewer families living in inner London boroughs. The Committee heard that the Council was supporting Westminster schools to reduce the number of school places available by reducing form entries, and was supporting a marketing programme for Westminster schools.
- 4.22 The Committee asked whether the waste contract was due for retendering or whether it would be extended, as its present arrangement had been in place for fifteen years. Raj Mistry confirmed that the contract with Veolia had been extended until 2024, with investment in food recycling and electric waste vehicles, as well as improvements to recycling options for residents. A new tender was anticipated to include these improvements, and would go live at the end of the current extension period.
- 4.23 The Committee asked when Westminster City Council could expect data from the 2021 Census. Sophie Shore confirmed that this was expected in the Spring, and that there had been discussion with the Office for National Statistics regarding this.
- 4.24 The Committee was provided with an update by Raj Mistry regarding the flash flooding of North Westminster in July 2021 and the extraordinary meeting of the Finance, Smart City and City Management Policy and Scrutiny Committee on 30 September 2021. The Council's Environment and City Management directorate had inspected its gullies and drainage across the area and found no issue. The

Committee heard that Thames Water was carrying out its own inspections on a wider scale in preparation for a Section 19 report, which Raj Mistry anticipated would be provided to the Council in Q1 2022.

- 4.25 The Committee observed that the risk score for increased inflationary costs of materials seemed low, given the upward pressure which the increased costs were placing on overall budgets. Debbie Jackson agreed to review the risk scoring. Housing repairs were noted as being below target, and this was explained as being due to a backlog accumulated during the pandemic, which was improving. The Committee noted the reports.
- 4.26 **RESOLVED:** That the Committee note the reports.

## **5. INTERNAL AUDIT MONITORING REPORT**

- 5.1 The Committee received the Internal Audit Monitoring report, introduced by David Hughes and Moira Mackie.
- 5.2 Two school audits had completed and the schools had been given positive assurance in this report.
- 5.3 The Committee asked about the advisory report for Investment Property Management, which contained two high-priority recommendations. Moira Mackie explained that a new system had been introduced and that there had been changes within the contractor managing the Council's portfolio.
- 5.4 The Committee was advised that there was considerable work in progress as detailed in the meeting report pack. The Committee noted the report.
- 5.5 **RESOLVED:** That the Committee note the report.

## **6. INTERNAL AUDIT CHARTER**

- 6.1 The Committee received an update from David Hughes and Moira Mackie on the refreshed Internal Audit Charter, and was informed that this had been drafted to provide greater context to and information about the role of Internal Audit, and to ensure the Council's continued compliance with audit requirements. The Committee noted the report.
- 6.2 **RESOLVED:** That the Committee note the report.

## **7. MID-YEAR COUNTER FRAUD MONITORING REPORT**

- 7.1 The Committee received the Mid-Year Counter Fraud Monitoring Report by David Hughes and Andy Hyatt, and it was noted that the increase in live parking fraud cases was due to the operation of courts following the pandemic, allowing cases to be brought forward.
- 7.2 The Committee suggested publicising some fraud cases for deterrent

purposes. Andy Hyatt informed the Committee that the Council's fraud team was due to appear on a television programme explaining one of their completed investigations. Further, the fraud team had explored with the Council's Communications team the possibility of publicising some other cases.

7.3 Committee Members commented that they had directly encountered cases of housing fraud when visiting properties owned by Registered Providers, and requested confirmation of the process by which this could be reported. It was confirmed that the Council's fraud team would take any housing fraud reports to the Registered Providers. Additionally, the team regularly conducted cross-checking exercises matching data and intelligence on tenants and properties. The Committee was assured that the Council's fraud team ensure the anonymity of those reporting concerns about housing fraud.

7.4 The Committee asked for more information regarding fraudulent applications for the pandemic business support grants. Andy Hyatt explained that Westminster had been in a better position to prevent fraud than many other London boroughs due to its existing intelligence and links with businesses based in Westminster, and the fraud team had found that some of the ineligible applications were mistaken, due to a change in circumstances, rather than deliberate attempts at fraud. The Committee was reassured that, of the cases confirmed as fraud and investigated with a view to prosecution, the money disbursed was clawed back. Martin Hinckley advised that if the Council made an overpayment in good faith, then it was protected. The Committee noted the report.

7. **RESOLVED:** That the Committee note the report.

## 8. REVIEW OF ANTI-FRAUD POLICIES

8.1 The Committee received for review and approval a report by Andy Hyatt on the Council's updated Anti-Fraud Policies.

8.2 The Committee questioned whether Westminster's approach to Planning might be used to support anti-money laundering efforts, owing to the potential use of the property market to launder large sums of money. The Committee heard from Andy Hyatt that it was the responsibility of regulated sectors involved in property sales and development to report suspected money-laundering activity to the relevant agencies. The Committee was advised that where reports were made, they might be used by these agencies as part of a wider picture of intelligence, but might not necessarily be used to halt a purchase or development. The Committee also heard that the fraud team had provided training for Planning officers on actions that could be taken to report suspicions.

8.3 The Committee welcomed the inclusion of modern slavery as an aspect of the Fraud Response Plan. The Committee approved the report and updated Anti-Fraud policies.

8.4 **RESOLVED:** That the Committee approve the updated policies.

## **9. VERBAL UPDATE**

- 9.1 Further to discussions in previous Audit and Performance Committee meetings and a referral by the Committee to the Business and Children's Policy and Scrutiny (P&S) Committee, the Committee was provided with a verbal update from Moira Mackie on Health and Safety in Schools.
- 9.2 The Committee noted that the response rate to the Council's questionnaire to schools had been low and queried its impact. Moira Mackie explained that the Council was only responsible for policies in Westminster's community schools (13 schools), whereas academies and faith schools must set policies themselves via their governors. However, during the pandemic, the Council had provided guidance to all schools in Westminster regarding COVID-19.
- 9.3 Following the referral from this Committee, the issue of school health and safety had been discussed by the Business and Children's P&S Committee at its meeting on 7 October 2021 and that consequently some actions had been taken. The Audit and Performance Committee was advised by Ian Heggs that discussions at the Business and Children's P&S Committee meeting had been helpful and that work was being done with Health and Safety colleagues. The Committee heard that the Council had again made the e-volve platform available to community schools to allow them to submit risk assessments, and was in discussions to make this platform available to all of Westminster's schools.
- 9.4 The Committee was further advised by Moira Mackie that this piece of work had been a "one off" thematic review, which would likely not be revisited, and that a thematic review on understanding VAT was in progress. The Committee noted the update.
- 9.3 **RESOLVED:** That the Committee note the update.

## **10. RE-TENDER OF THE EXTERNAL AUDIT CONTRACT**

- 10.1 The Committee received for review and approval a report on the re-tender of the Council's external audit contract from Jake Bacchus and heard that this would be going to Full Council in March.
- 10.2 The Committee was informed by Jake Bacchus that, although there were a variety of possible recommendations, the likely recommendation would be for Westminster City Council to participate in the Public Sector Audit Appointments Limited (PSAA) national collective scheme for procurement of an appropriate external auditor. The Committee was reminded that, under the PSAA scheme, the Council's external auditors were Grant Thornton. The Committee discussed the issues with the contract scheme generally, including quality and timeliness and how it was increasingly difficult for the signing off of the accounts to be completed by 1 September. The Committee approved the report.
- 10.2 **RESOLVED:** That the Committee approve the report on the Re-Tender of the

## **11. ANNUAL COMPLAINTS REVIEW**

- 11.1 The Committee received a report by Martin Hinckley on the Annual Review of complaints received about Council services. It was noted that the context of complaints received was the COVID-19 pandemic, the restrictions resulting from which had prevented some of the Council's work being carried out, including non-urgent housing repairs. The Committee observed that there were some areas where no pre-pandemic comparator was provided and that it was therefore difficult to understand the figures in context.
- 11.2 Housing was noted as a significant source of complaints. The Committee commented that residents may find themselves in a position where making a complaint "unblocked" an ongoing issue, and that this may be true across social care services as well as housing. The Committee noted the Annual Complaints Review report.
- 11.3 **RESOLVED:** That the Committee note the Annual Complaints Review.

## **12. TREASURY MANAGEMENT MID-YEAR STRATEGY REVIEW**

- 12.1 The Committee received a report on the Treasury Management Mid-Year Strategy Review from Phil Triggs and Mathew Dawson.
- 12.2 The Committee discussed inflationary pressures and interest rates, and their potential impact on the Council's capital and financial capacity.
- 12.3 The Committee raised the issue of the Council's large planned Capital Programme and its proposed financing through borrowing, and what the likely effect of interest rate rises would be. The Committee heard that the Council's borrowing rates were linked to gilt yields when agreed, and current rates were low at 1.34% down from 2.00% six months prior.
- 12.4 Jake Bacchus confirmed that some decisions had been made to use cash balance where suitable, which had been agreed by Cabinet in July 2021. There was discussion about use of reserves if appropriate.
- 12.5 The Committee suggested that there may be a point for review of the Capital Programme to ensure security of Council finances.
- 12.6 The Committee heard that Westminster's debt portfolio was proportionately low, especially when compared to other London boroughs, and that credential indicators were under review. The Committee noted the report.
- 12.7 **RESOLVED:** That the Committee note the review report.



### **13. STAFF REMUNERATION**

- 13.1 The Committee received a report on Staff Remuneration as part of its review of the Council's pay schemes, as per the Constitution. The Committee observed that Executive Directors and other senior staff, including the Head of Human Resources and the Chief Executive, were not present at the meeting. The Committee elected to discuss the topic of remuneration with a view to having questions answered at the Committee's next meeting.
- 13.2 The Committee noted that Westminster City Council's Gender Pay Gap was increasing year-on-year, with a relatively low proportion of women in senior roles. Kumbirai Dzumbunu explained that this was due to an increase in women in posts paid at Bands 1-3, the lower-paid bands in the Council.
- 13.3 The Committee queried the number of contractors on rates over £600 per diem, and observed that most of these were in the Finance and Resources department. The Committee requested more information and asked whether these contractors were delivering discrete task-and-finish pieces of work or whether they were working on ongoing projects. Kumbirai Dzumbunu stated that the highest-paid contractors were due to finish their work by March 2022, that they worked two days per week, and that one was working for a bi-borough service.
- 13.4 The Committee asked whether Council staff was returning to the office at that time, and whether the organisation was encouraging staff to return to the office. Bernie Flaherty stated that in some areas up to 60% of staff were office-based, and that there was considerable communication with staff in a variety of different formats to encourage staff to come back to the City and serve residents.
- 13.5 The Committee asked about the robustness of management structures and processes, as well as recruitment, in light of the findings of the Business and Children's Policy and Scrutiny Committee at its extraordinary meeting on 27 October 2021 to scrutinise the Marble Arch Mound and the Westminster City Council Internal Review. The Committee noted that those findings had indicated that the highest-paid member of staff in the Council did not have the requisite skills to perform the role for which he had been hired (delivery of the Oxford Street District programme including the Marble Arch project).
- 13.6 The Committee also noted the commitment of senior leadership to ensure that Westminster City Council's workforce was representative of the City, and requested information about how this representativeness was defined and the labour market from which staff was recruited.
- 13.7 The Committee queried how career trajectories were managed within the organisation, how staff were selected for promotion and how this was checked.
- 13.8 Referring again to the Marble Arch Mound findings, the Committee asked what skills mapping was conducted by the Council to ensure the appropriate skills utilisation in posts, The Committee considered that a person's ability to "sell themselves" well at interview may not be an indicator of ability to carry out a role, and that those with specific ability and operational skills may not

necessarily sell themselves well.

- 13.9 The Committee asked whether the Council made the most of existing staff resource, posing the question of whether it was appropriate to hire contractors if existing staff could be upskilled to fulfil those needs. There was a further query by the Committee as to the measurement and profile of skills gaps within the organisation, particularly within the current context and changes to the labour market. The Committee requested more information on this.
- 13.10 The Committee also requested information about the Council's use of training and apprenticeship schemes, such as the national apprenticeship scheme and the National Graduate Development Programme. Information was also requested as to how they were managed in the organisation, the costs and benefits of the schemes, and in which areas people were being trained.
- 13.11 The Committee queried the methodology used to calculate the ethnicity pay gap, noting that a pay gap reported across the organisation as a whole may not be as useful as a pay gap reported by pay band, which could reflect wider demographic changes over time. The Committee referred to [Simpson's paradox](#) and highlighted the importance of ensuring veracity in pay gap reporting, in order to develop accurate plans and policies aimed at addressing those gaps. The Committee requested pay gap reporting by band or by grouping, noting the potential risk of false conclusions, and queried conclusions from the calculations, which in fact indicated that there was potentially a pay gap based on hierarchy. The Committee requested information by grade and by function. Bernie Flaherty noted the complexity and stated that there would be a revised report produced for the Committee's next meeting.
- 13.12 The Committee requested a more comprehensive report including answers to questions asked. The presence of the Head of HR and the rest of the Executive Leadership Team was requested at the subsequent meeting for more complete discussion of the issues raised. The Committee suggested that input from Pedro Wrobel (Executive Director for Innovation and Change) and the Strategy and Intelligence team would be useful to review the analysis. The Committee deferred the report to its February meeting.
- 13.13 **RESOLVED:** That the Committee receive a revised report on staff remuneration from People Services to discuss with ELT at the February Audit and Performance Committee meeting.

#### **14. WORK PROGRAMME**

- 14.1 The Committee received a report on the work programme from Artemis Kassi.
- 14.2 The Committee considered suitable items for the future work programme. The Committee noted the unallocated items on its work programme and requested a report on performance of the Basic Command Unit from the Metropolitan Police Service at the February meeting. The Committee was advised that a report on Immunisations from NHS E had been commissioned and was in progress, and that officers would be canvassed to identify items which needed to come to the February meeting.

**15. TERMINATION OF MEETING**

11.1 The meeting closed at 20:48.

**CHAIRMAN:**

\_\_\_\_\_

**DATE**

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City of Westminster

## Audit and Performance Committee Report

|                             |                                                                                                                    |
|-----------------------------|--------------------------------------------------------------------------------------------------------------------|
| <b>Date:</b>                | 16 February 2022                                                                                                   |
| <b>Classification:</b>      | General Release                                                                                                    |
| <b>Title:</b>               | Central West Basic Command Unit (BCU) Update for the Westminster City Council Audit and Performance Committee 2022 |
| <b>Wards Affected:</b>      | All wards                                                                                                          |
| <b>City for All Summary</b> | Vibrant Communities, Thriving Economy                                                                              |
| <b>Financial Summary:</b>   | N/A                                                                                                                |
| <b>Report of:</b>           | Metropolitan Police Service                                                                                        |

### 1. Executive Summary

To provide the Audit and Performance Committee with a report to update on the five operational strands in Central West BCU; partnership working; the implications of the end of COVID-19 restrictions; and an outline of the Borough Commander's priorities.

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# Central West BCU Update for the Westminster City Council Audit and Performance Committee

2022

# BCU Update

- Five strands operate in in Central West BCU; Response, Neighbourhoods, Safeguarding , Investigations and HQ interconnectivity between strands is vital to continued success
- Partnerships continued to be strengthened with dedicated points of contacts.
- As COVID restrictions end the Borough has seen a significant rise in foot fall throughout particularly in the West End
- A commensurate rise in robbery and violence occurred and although it never reached pre-lockdown levels considerable assets and a change in AW deployments has succeeded in preventing any further rise



# Borough Commander's Priorities

1. Health and Wellbeing of our people
2. Professionalism & Standards
3. Reduce violence
  - a) Knife Injury Victims U25, Guns & Gangs
  - b) Robbery
  - c) Violence Against Women and Girls - Domestic Abuse & Public Space Sexual Assault
4. Improve detection rate
  - a) Robbery
  - b) Rape
  - c) Knife crime
5. Improve public trust
  - a) Trust and Confidence through engagement & enforcement
  - b) Burglary Crime Prevention & Satisfaction
  - c) Anti-Social Behaviour

# Neighbourhood Policing Structure

NPT Superintendent  
Mike Walsh

Chief Inspector NPT EAST  
James Johnson

Chief Inspector NPT WEST  
Elise Gellatley

Chief Inspector West End  
Partnership & Prevention  
Simon Brooker

Inspector Westminster  
North  
Alistair Phillips

Inspector Westminster  
South  
Chris Sadler

Inspector Kensington &  
Chelsea  
Tom Sincoc

Inspector Hammersmith &  
Fulham  
Simon Crew

Inspector  
Partnership &  
Prevention  
Tony Beasley

Inspectors WEPPT  
Lee Scott  
Aiveen McManus  
Greig Baker-Doyle  
Jon Greenwood  
Augustine Anyaegbuna

Royal Parks  
Street Engagement Team

# Partnership Working

Partnership working remains at the core of our policing activity

- Street Engagement Team (Focussing on the street population with the local authority and charity sector)
- Business Improvement Districts working hand in hand with the WEPPT and ward officers
- Licensing Team
- Volunteers work through Positive Action Initiatives and use of Volunteer Police Cadets
- The Strategic Community Safety Board has been set up between the MPS and WCC to identify and problem solve a number mutually agreed upon issues in partnership with each other and other organisations

# Additional Policing Assets

Westminster has benefitted from support from non-AW BCU resources including:

- Territorial Support Group
- Violent Crime Task Force
- Roads & Traffic Policing Command
- Op Servator

From within AW BCU Westminster and particularly the West End:

- Violence Suppression Unit
- West End Proactive & Partnership Team uplift
- Response team deployments to hot spots

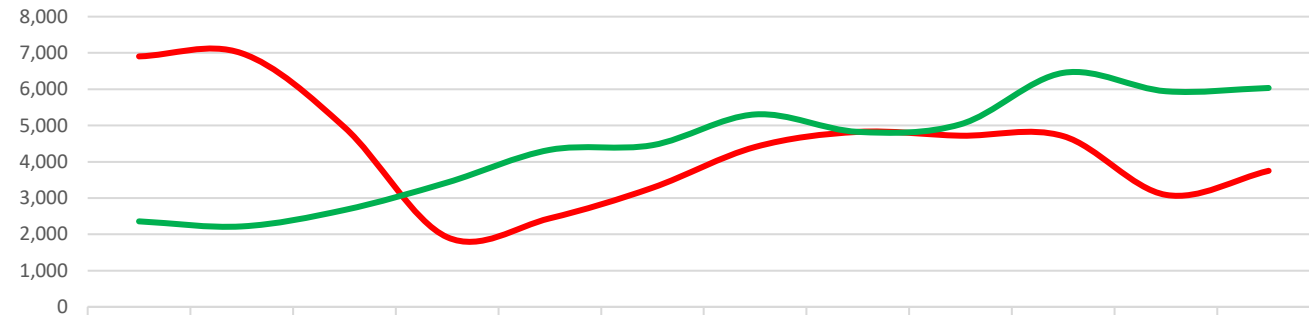
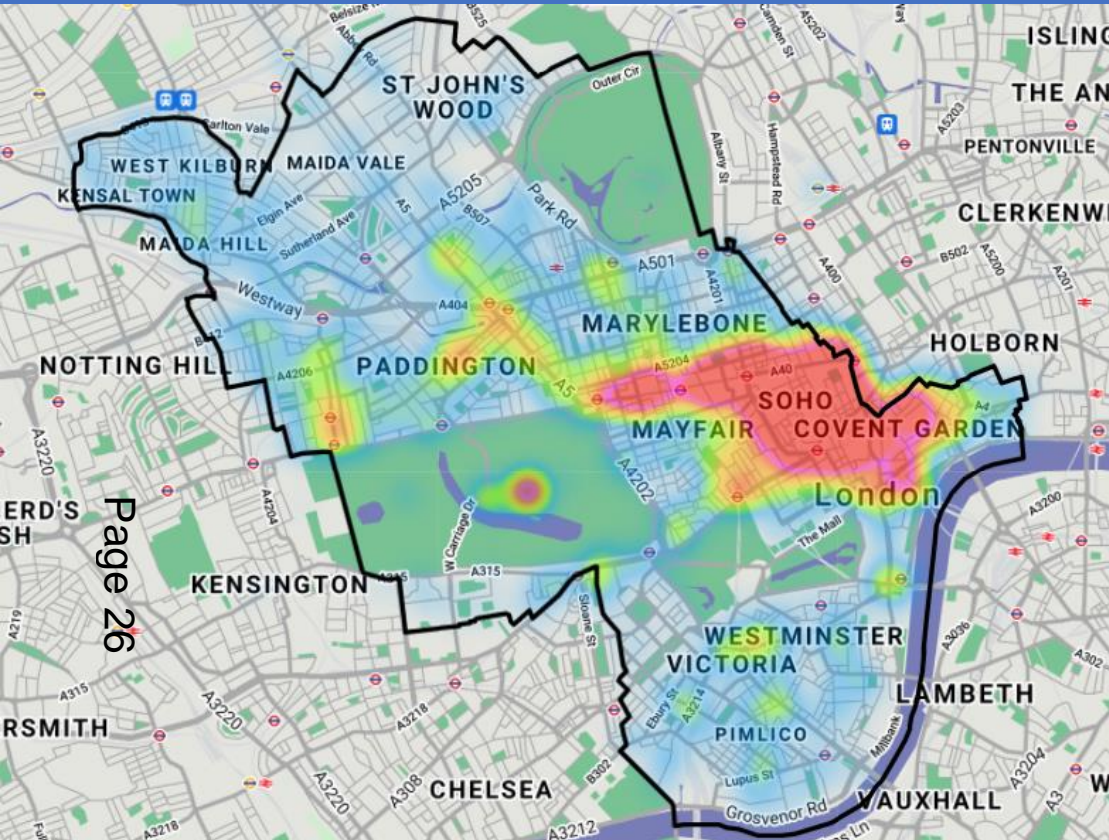
## West End Proactive Partnership Team (WEPPT)

On the 6<sup>th</sup> of December the West End Proactive Partnership Team was uplifted to 190 PCs covering the West End, Covent Garden, Trafalgar and Leicester Squares, Oxford and Regent Street.

This enlarged team enhances our ability to tackle violence linked to the night-time economy, robbery, violence against women and girls, and ASB.

To tackle the increase in 'two wheeled' crime it employs a number of tactics and equipment including plain clothes proactive patrols, e-bikes purchased with our partners and a focus on engagement with people who are potentially vulnerable to the the four crime types mentioned above.

# Total Notifiable Offences



|          | Jan   | Feb   | Mar   | Apr   | May   | Jun   | Jul   | Aug   | Sep   | Oct   | Nov   | Dec   |
|----------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Previous | 6,906 | 6,993 | 4,954 | 1,924 | 2,443 | 3,285 | 4,409 | 4,825 | 4,720 | 4,708 | 3,089 | 3,752 |
| Current  | 2,362 | 2,223 | 2,675 | 3,430 | 4,329 | 4,458 | 5,304 | 4,824 | 5,033 | 6,447 | 5,941 | 6,031 |

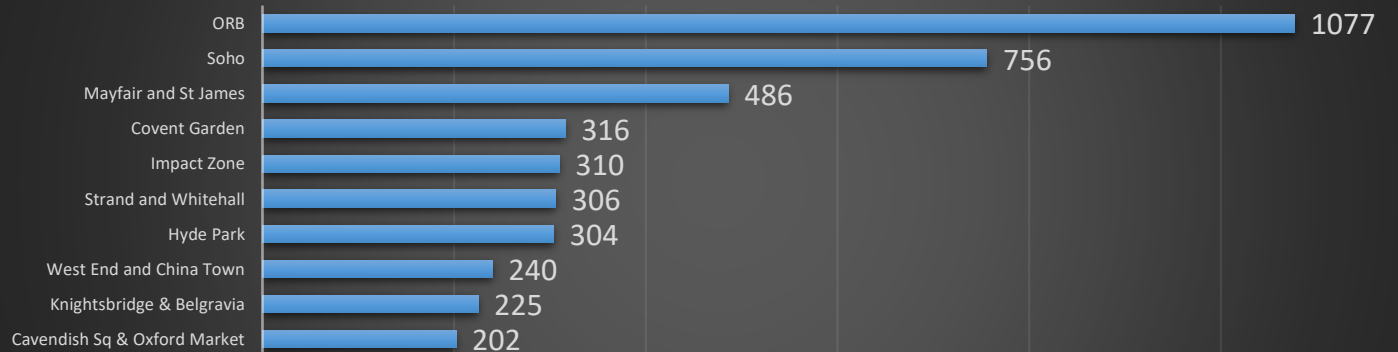
For December there were 6,031 offences, this is an increase of 60.74% compared to last year's 3,752 offences and an increase of 1.51% compared to November's 5,941 offences. Over previous rolling 12 months there were 53,057 offences, this is an increase of 2.02% compared to last year's 52,008 offences.

## Peak Day & Times

Friday (1,139) between 1600-0000hrs

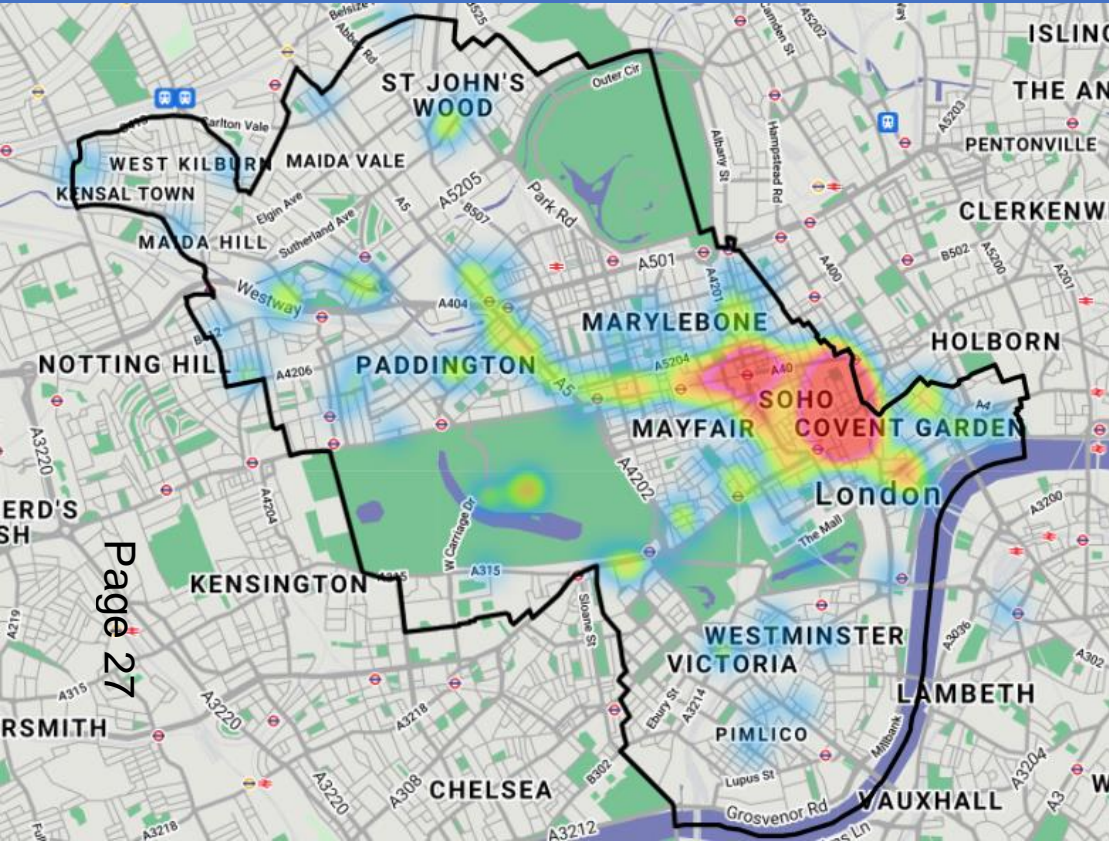
Thursday (1,055) between 1700-2100hrs

| Offence                                      | Count |
|----------------------------------------------|-------|
| Theft and Handling - Other Theft Person      | 1385  |
| Theft and Handling - Other Theft             | 1365  |
| Violence Against the Person - Harassment     | 362   |
| Violence Against the Person - Common Assault | 337   |
| Theft and Handling - Theft From M/V          | 324   |





# Robbery



|          | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec |
|----------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| Previous | 349 | 319 | 219 | 47  | 41  | 88  | 142 | 233 | 198 | 188 | 132 | 145 |
| Current  | 62  | 58  | 78  | 135 | 154 | 171 | 205 | 205 | 235 | 292 | 269 | 265 |

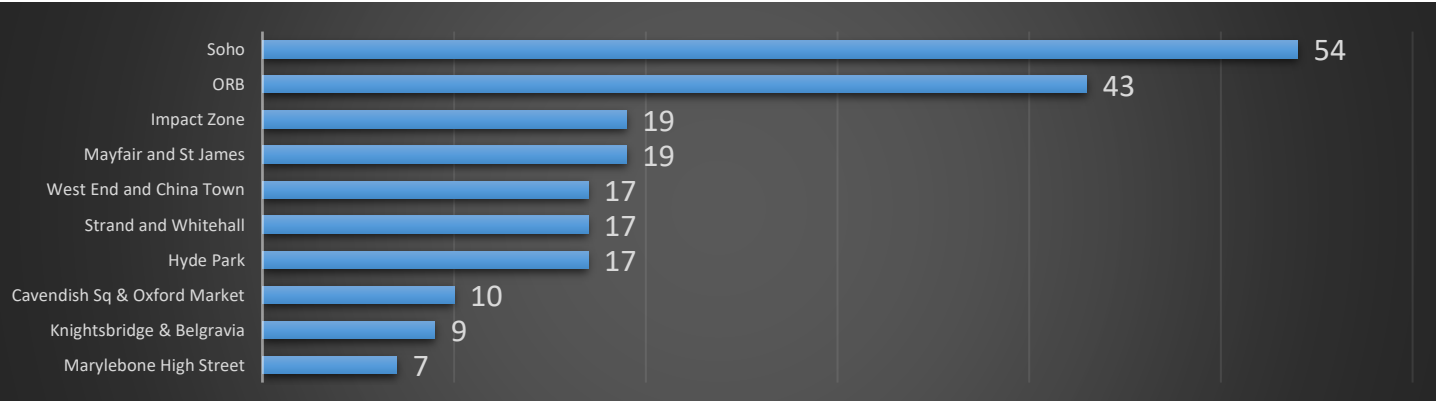
For December there were 265 offences, this is an increase of 82.76% compared to last year's 145 offences and a decrease of 1.49% compared to November's 269 offences. Over previous rolling 12 months there were 2,129 offences, this is an increase of 1.33% compared to last year's 2,101 offences.

## Peak Day & Times

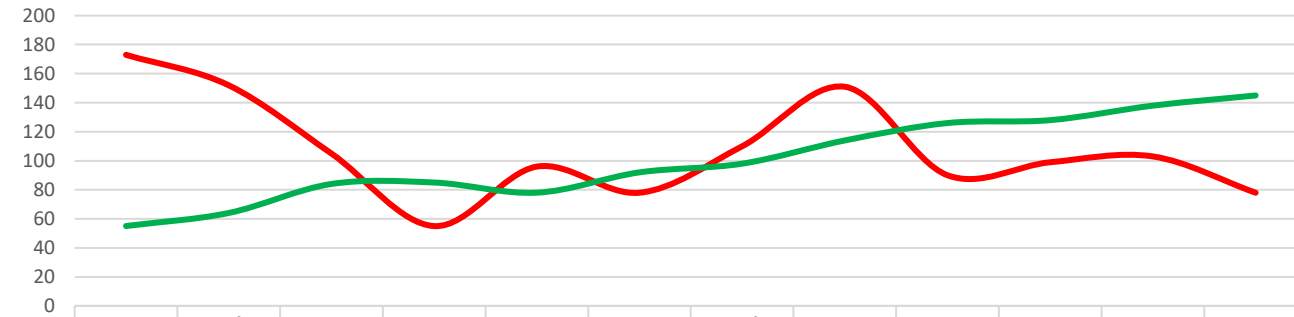
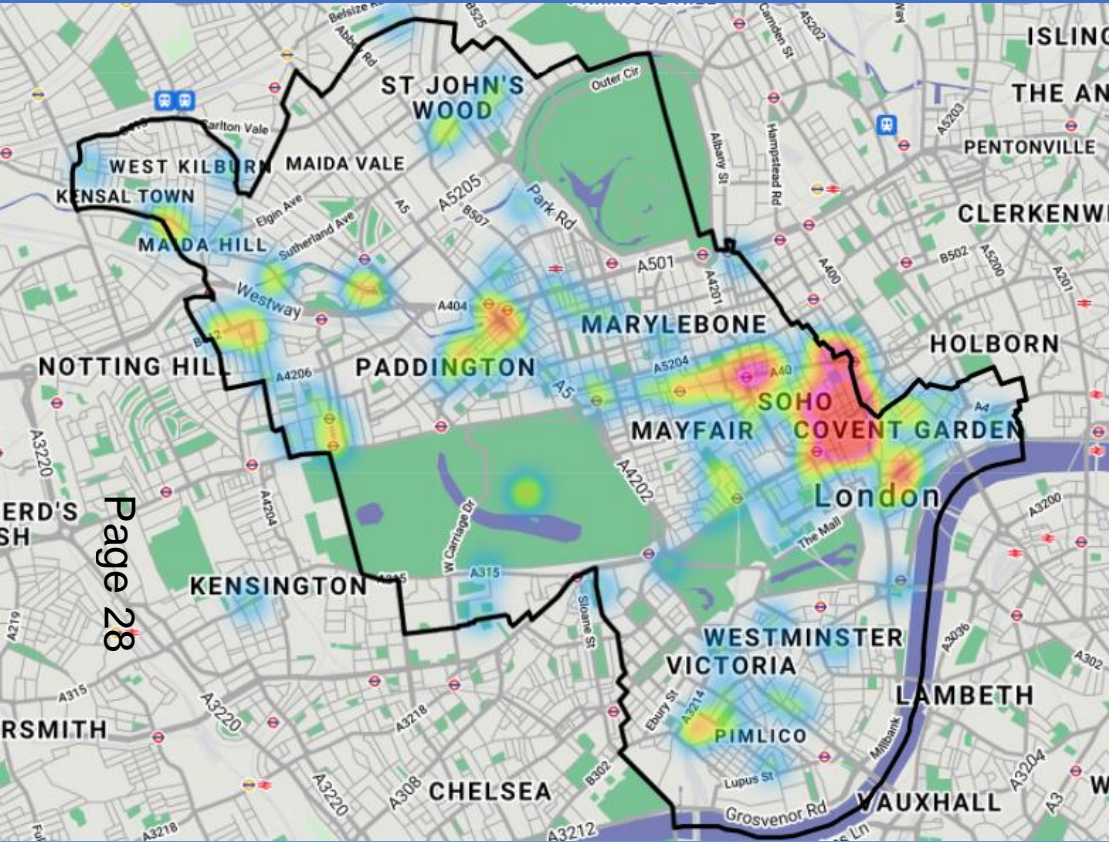
Thursday (49) between 1500-1900hrs / 2000-2100hrs / 2300-0000hrs

Saturday (46) between 0100-0500hrs

| Offence                     | Count |
|-----------------------------|-------|
| Robbery - Personal Property | 257   |
| Robbery - Business Property | 8     |



# Overall knife crime



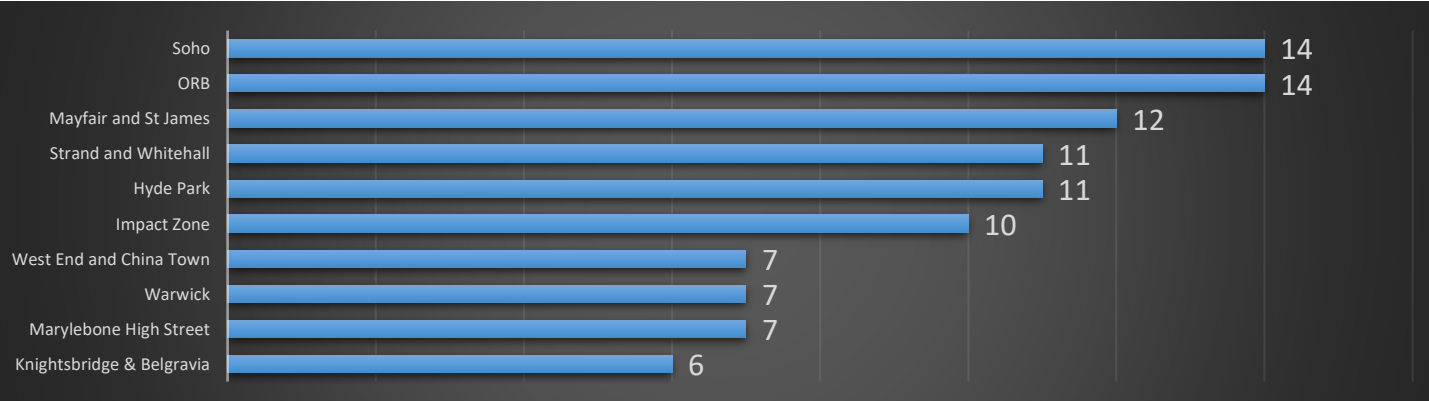
|          | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec |
|----------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| Previous | 173 | 152 | 105 | 55  | 96  | 78  | 110 | 151 | 90  | 99  | 103 | 78  |
| Current  | 55  | 64  | 84  | 85  | 78  | 92  | 98  | 114 | 126 | 128 | 138 | 145 |

For December there were 145 offences, this is an increase of 85.90% compared to last year's 78 offences and an increase of 5.07% compared to November's 138 offences. Over previous rolling 12 months there were 1,207 offences, this is a decrease of 6.43% compared to last year's 1,290 offences.

## Peak Day & Times

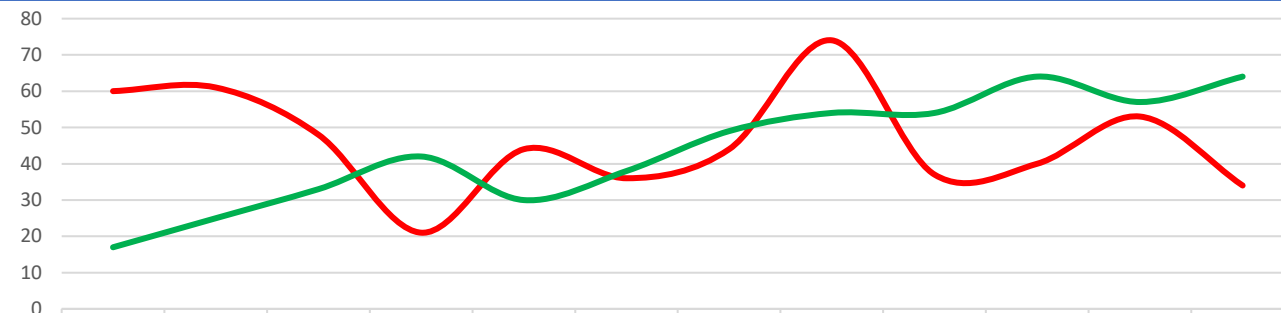
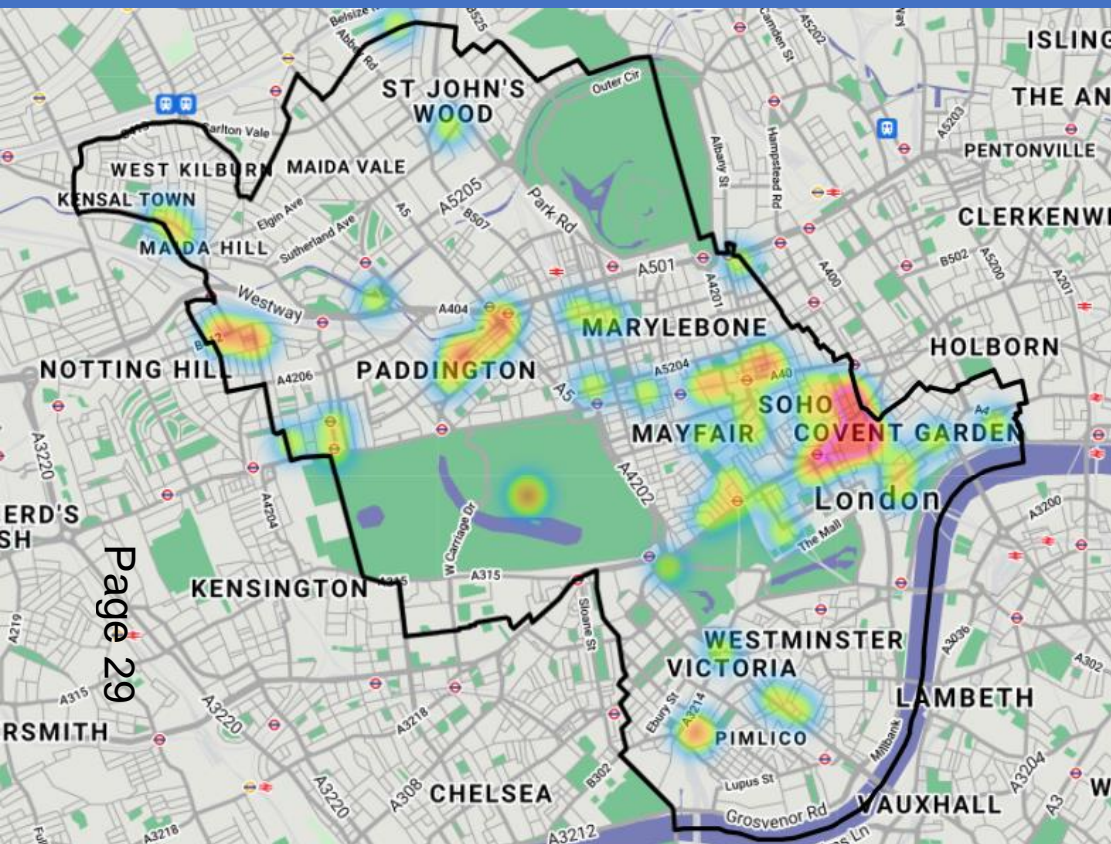
No peak days between 1800-2300hrs

| Offence                                           | Count |
|---------------------------------------------------|-------|
| Robbery - Personal Property                       | 62    |
| Violence Against the Person - Offensive Weapon    | 25    |
| Violence Against the Person - Harassment          | 18    |
| Violence Against the Person - Serious Wounding    | 12    |
| Violence Against the Person - Assault with Injury | 7     |





# Knife Crime – XI/XT



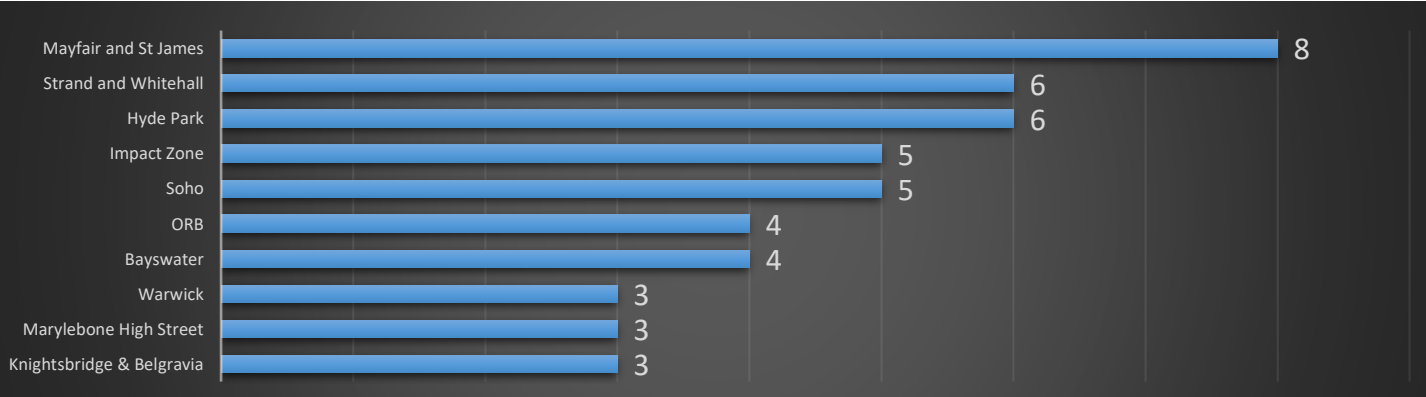
|          | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec |
|----------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| Previous | 60  | 61  | 48  | 21  | 44  | 36  | 44  | 74  | 37  | 40  | 53  | 34  |
| Current  | 17  | 25  | 33  | 42  | 30  | 38  | 49  | 54  | 54  | 64  | 57  | 64  |

For December there were 64 offences, this is an increase of 88.24% compared to last year's 34 offences and an increase of 12.28% compared to November's 57 offences. Over previous rolling 12 months there were 527 offences, this is a decrease of 4.53% compared to last year's 552 offences.

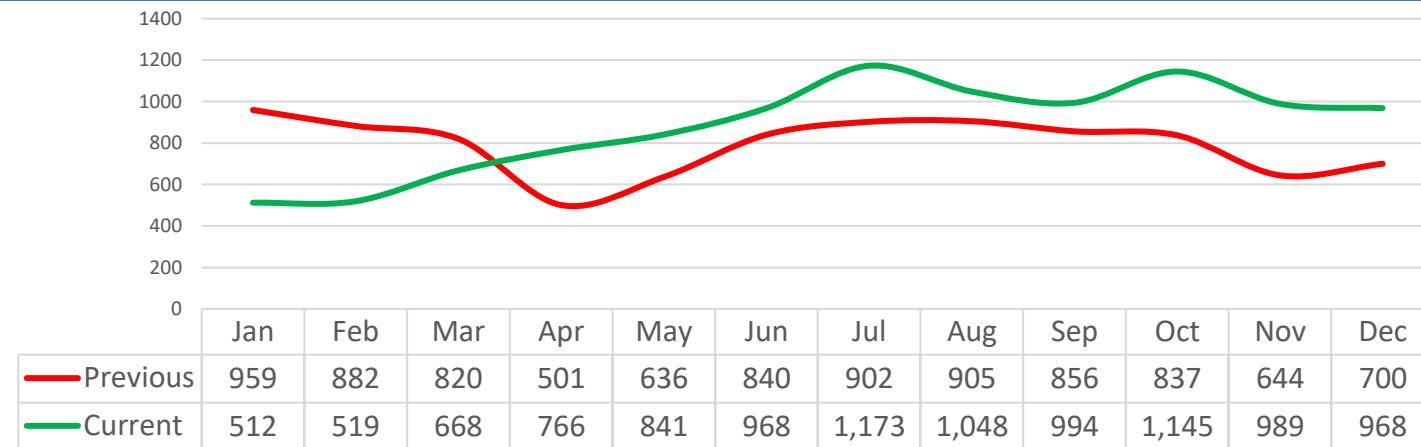
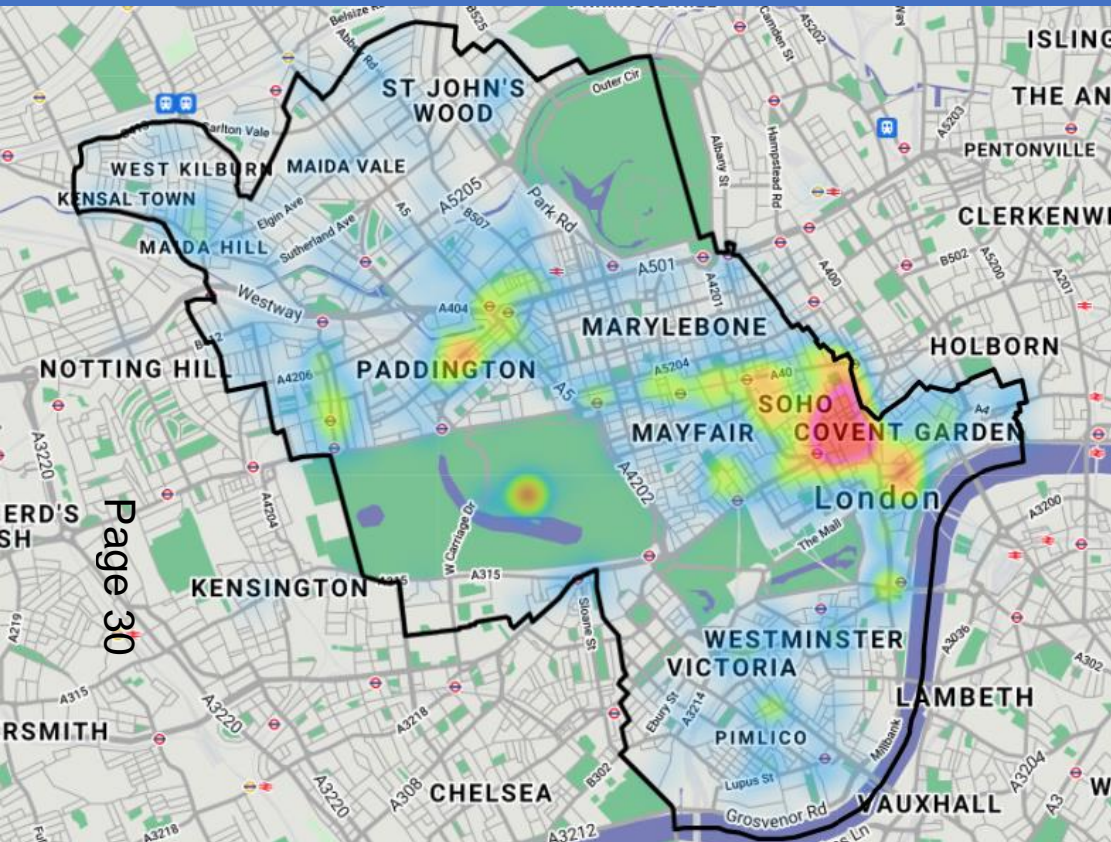
## Peak Day & Times

Sunday (15) between 0300-0500hrs / 1500-1600hrs

| Offence                                           | Count |
|---------------------------------------------------|-------|
| Robbery - Personal Property                       | 33    |
| Violence Against the Person - Serious Wounding    | 11    |
| Violence Against the Person - Assault with Injury | 6     |
| Violence Against the Person - Harassment          | 5     |
| Violence Against the Person - Offensive Weapon    | 2     |



# Violence Against the Person Exl Domestic

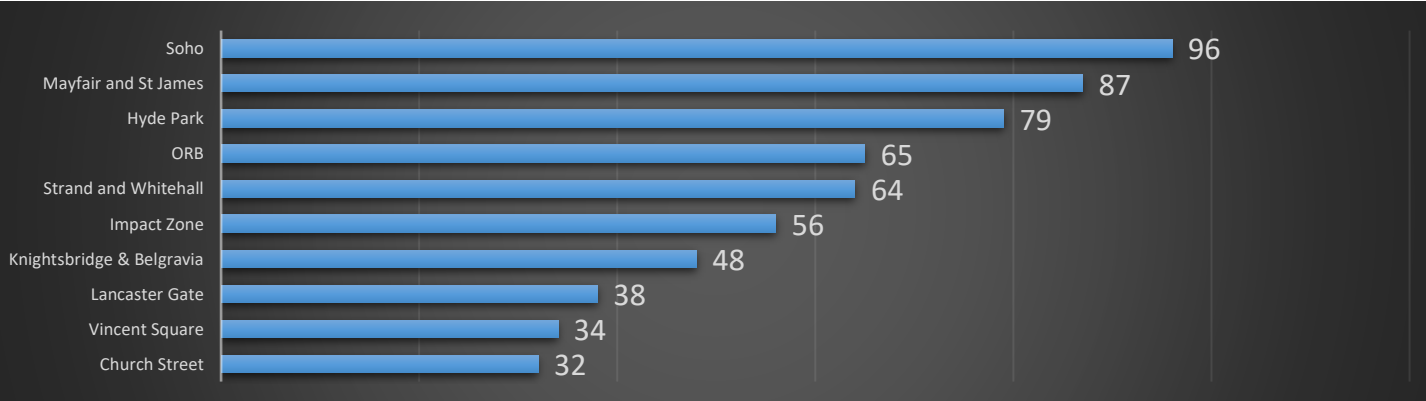


For December there were 968 offences, this is an increase of 38.29% compared to last year's 700 offences and a decrease of 2.12% compared to November's 989 offences. Over previous rolling 12 months there were 10,591 offences, this is an increase of 11.70% compared to last year's 9,482 offences.

## Peak Day & Times

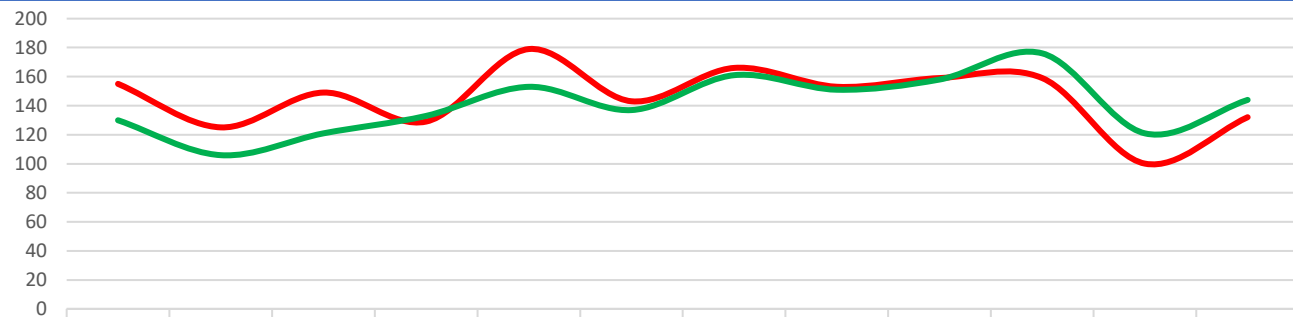
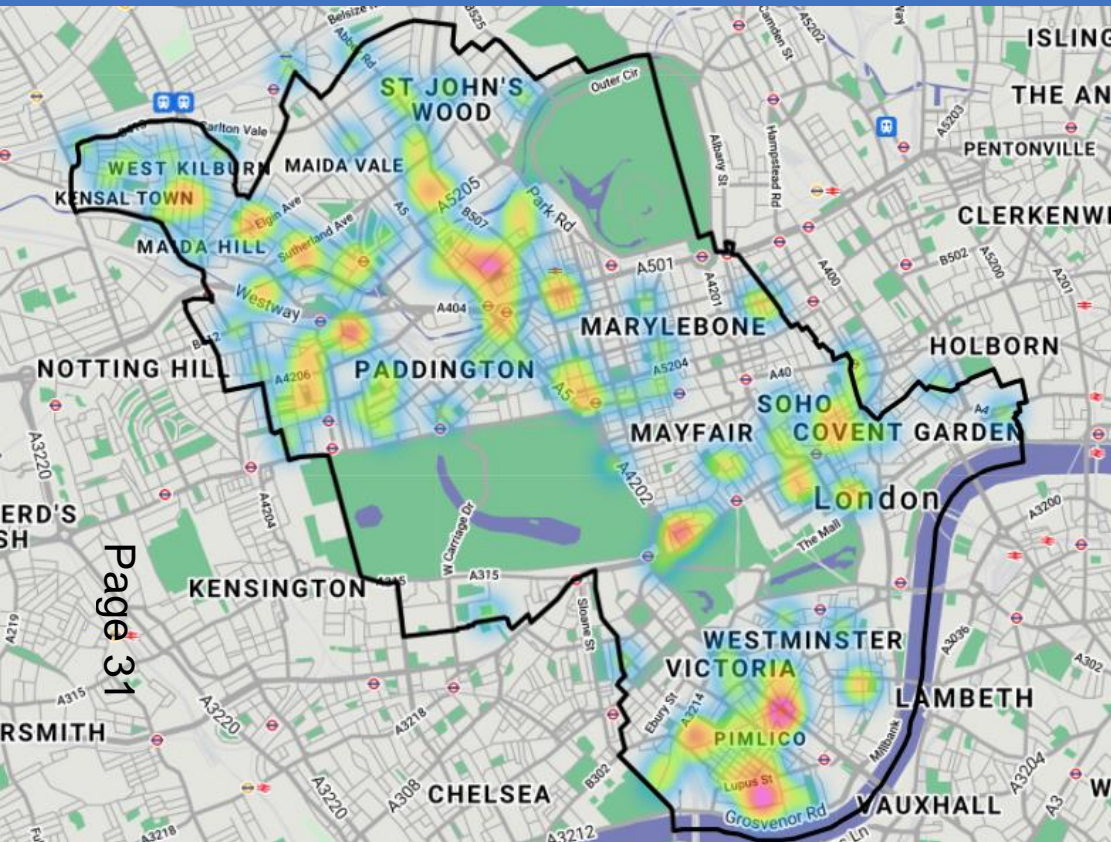
Friday (179) between 0000-0100hrs / 1500-1700hrs / 1800-0000hrs  
 Saturday (170) between 1600-1900hrs / 2300-0000hrs

| Offence                                           | Count |
|---------------------------------------------------|-------|
| Violence Against the Person - Harassment          | 333   |
| Violence Against the Person - Common Assault      | 282   |
| Violence Against the Person - Assault with Injury | 200   |
| Violence Against the Person - Serious Wounding    | 91    |
| Violence Against the Person - Other Violence      | 61    |





# Violence Against the Person - Domestic



|          | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec |
|----------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| Previous | 155 | 125 | 149 | 129 | 179 | 143 | 166 | 153 | 159 | 159 | 100 | 132 |
| Current  | 130 | 106 | 121 | 133 | 153 | 137 | 161 | 151 | 158 | 176 | 121 | 144 |

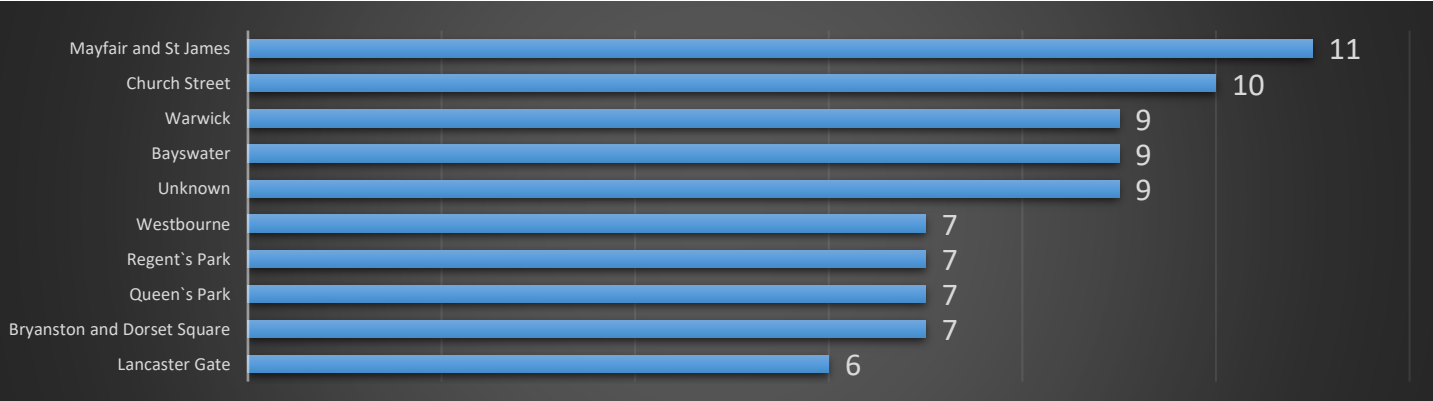
For December there were 144 offences, this is an increase of 9.09% compared to last year's 132 offences and an increase of 19.01% compared to November's 121 offences. Over previous rolling 12 months there were 1,691 offences, this is a decrease of 3.32% compared to last year's 1,749 offences.

## Peak Day & Times

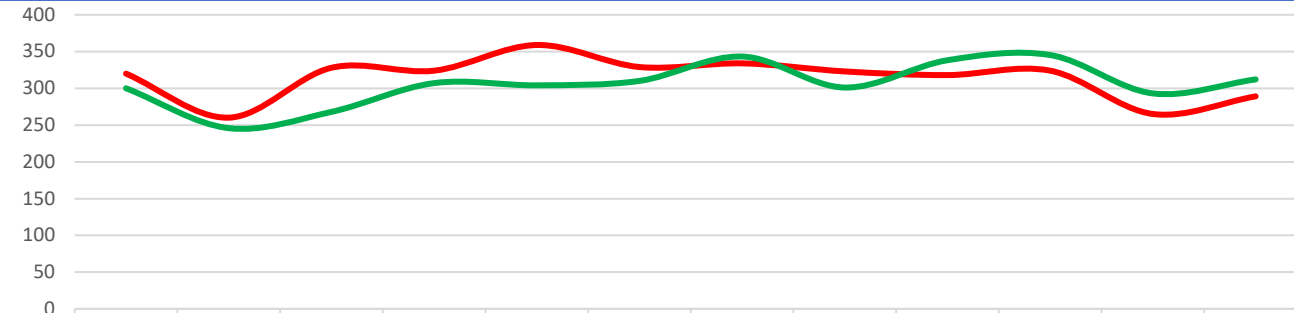
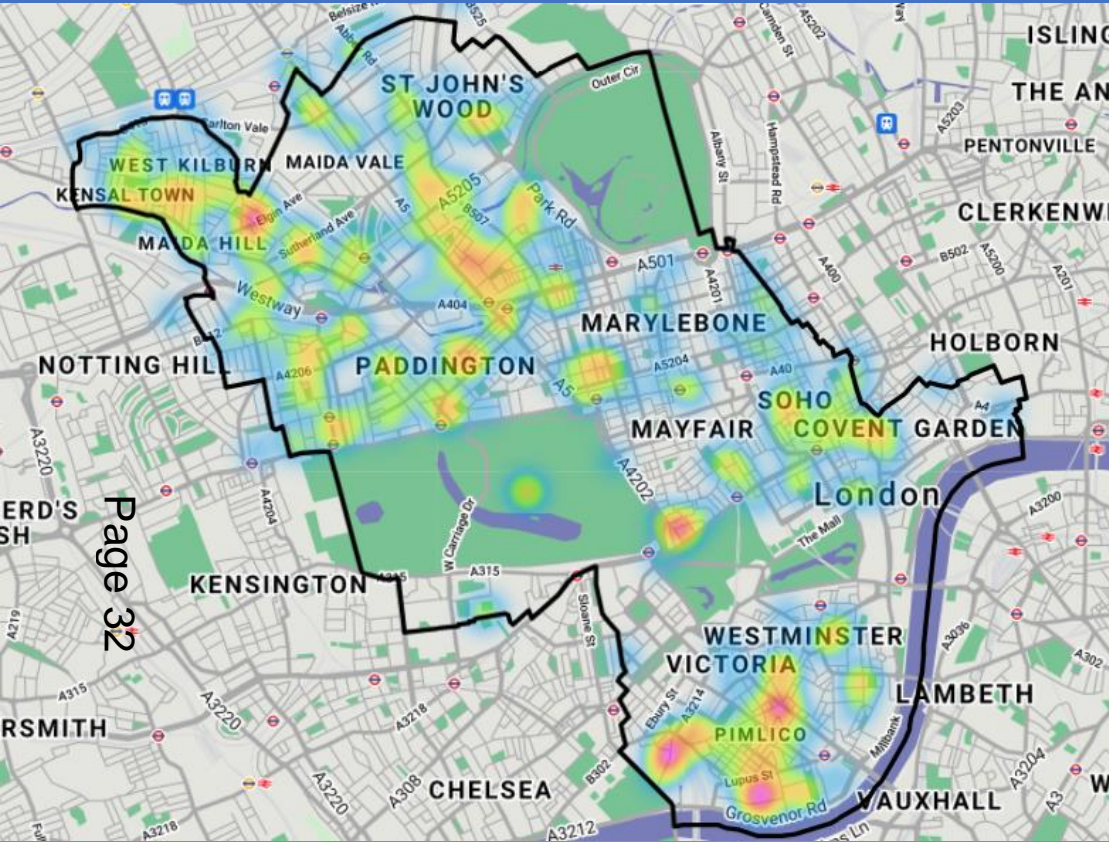
Sunday (27) between 0000-0400hrs

Friday (25) between 1600-1700hrs / 1900-2000hrs

| Offence                                           | Count |
|---------------------------------------------------|-------|
| Violence Against the Person - Common Assault      | 55    |
| Violence Against the Person - Assault with Injury | 42    |
| Violence Against the Person - Harassment          | 29    |
| Violence Against the Person - Serious Wounding    | 16    |
| Violence Against the Person - Other Violence      | 8     |



# Domestic



|          | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec |
|----------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| Previous | 320 | 260 | 328 | 324 | 359 | 329 | 334 | 323 | 318 | 324 | 265 | 289 |
| Current  | 300 | 246 | 268 | 307 | 304 | 310 | 343 | 301 | 338 | 345 | 293 | 312 |

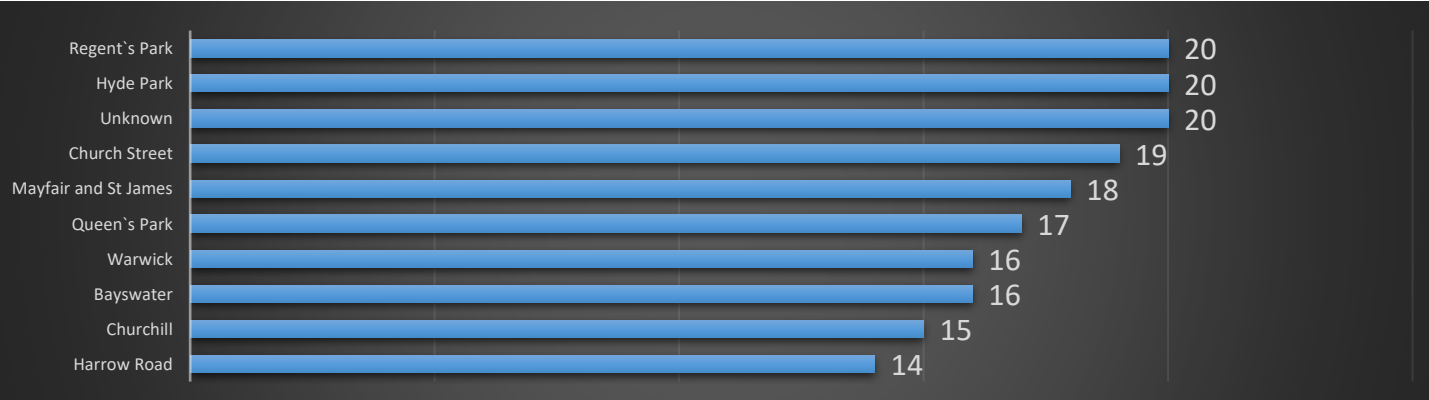
For December there were 312 offences, this is an increase of 7.96% compared to last year's 289 offences and an increase of 6.48% compared to November's 293 offences. Over previous rolling 12 months there were 3,667 offences, this is a decrease of 2.81% compared to last year's 3,773 offences.

## Peak Day & Times

Friday (53) between 1100-1400hrs / 1900-2000hrs

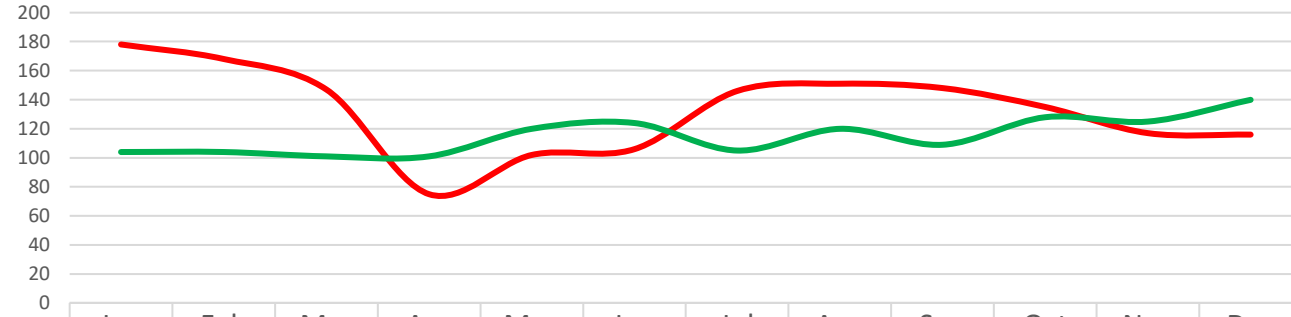
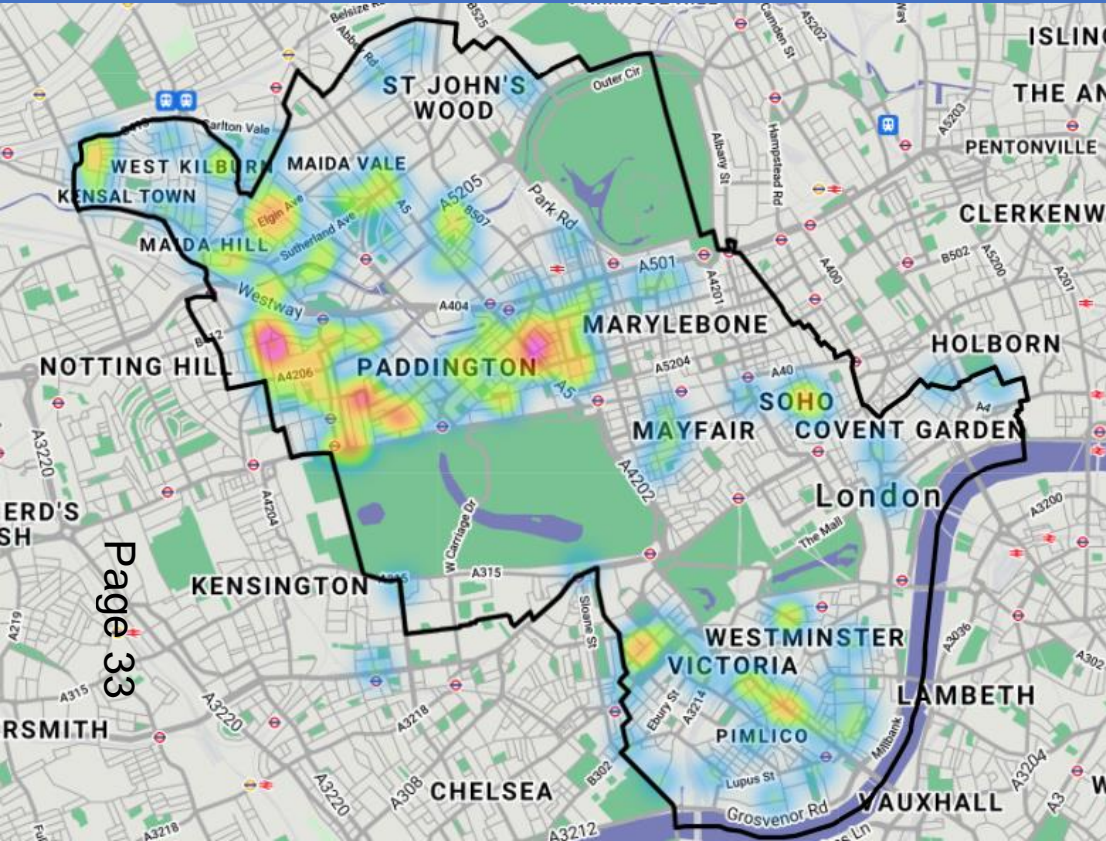
Saturday (52) between 0000-0100hrs / 0400-0600hrs / 1200-1400hrs

| Offence                                              | Count |
|------------------------------------------------------|-------|
| Other Accepted Crime - Others - Other Accepted Crime | 148   |
| Violence Against the Person - Common Assault         | 55    |
| Violence Against the Person - Assault with Injury    | 42    |
| Violence Against the Person - Harassment             | 29    |
| Violence Against the Person - Serious Wounding       | 16    |





# Residential Burglary



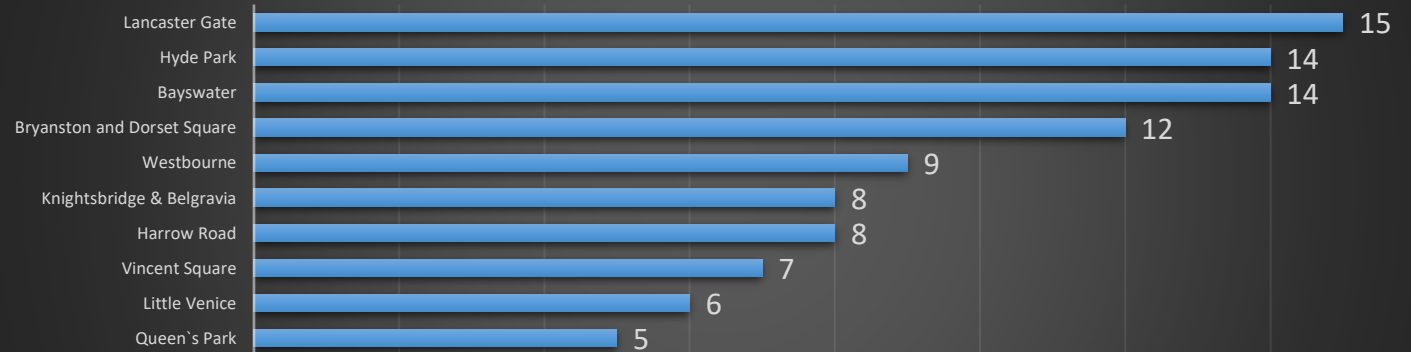
|          | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec |
|----------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| Previous | 178 | 168 | 147 | 75  | 102 | 106 | 146 | 151 | 148 | 135 | 117 | 116 |
| Current  | 104 | 104 | 101 | 101 | 120 | 124 | 105 | 120 | 109 | 128 | 125 | 140 |

For December there were 140 offences, this is an increase of 20.69% compared to last year's 116 offences and an increase of 12.00% compared to November's 125 offences. Over previous rolling 12 months there were 1,381 offences, this is a decrease of 13.09% compared to last year's 1,589 offences.

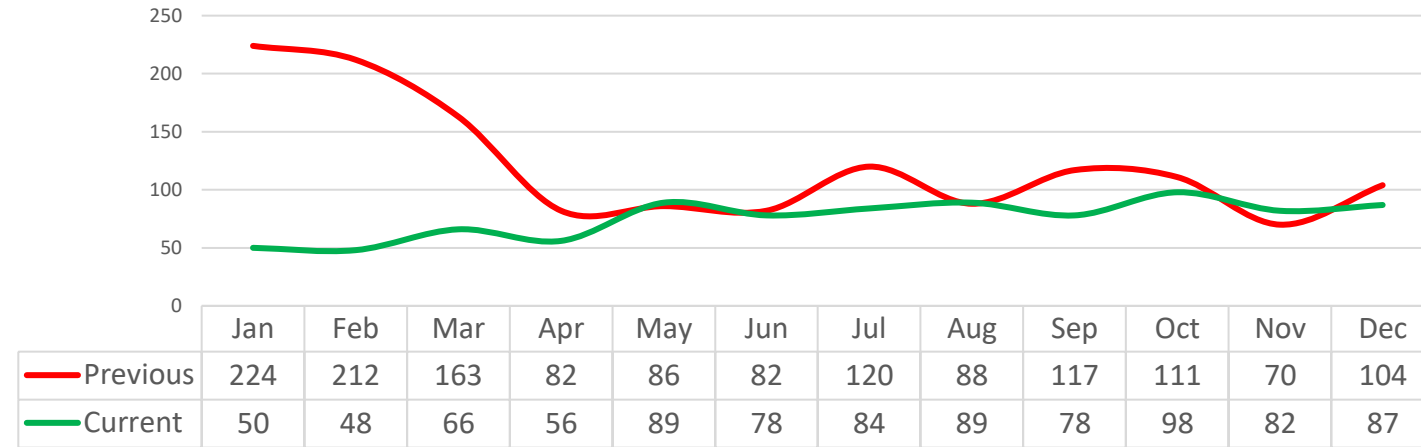
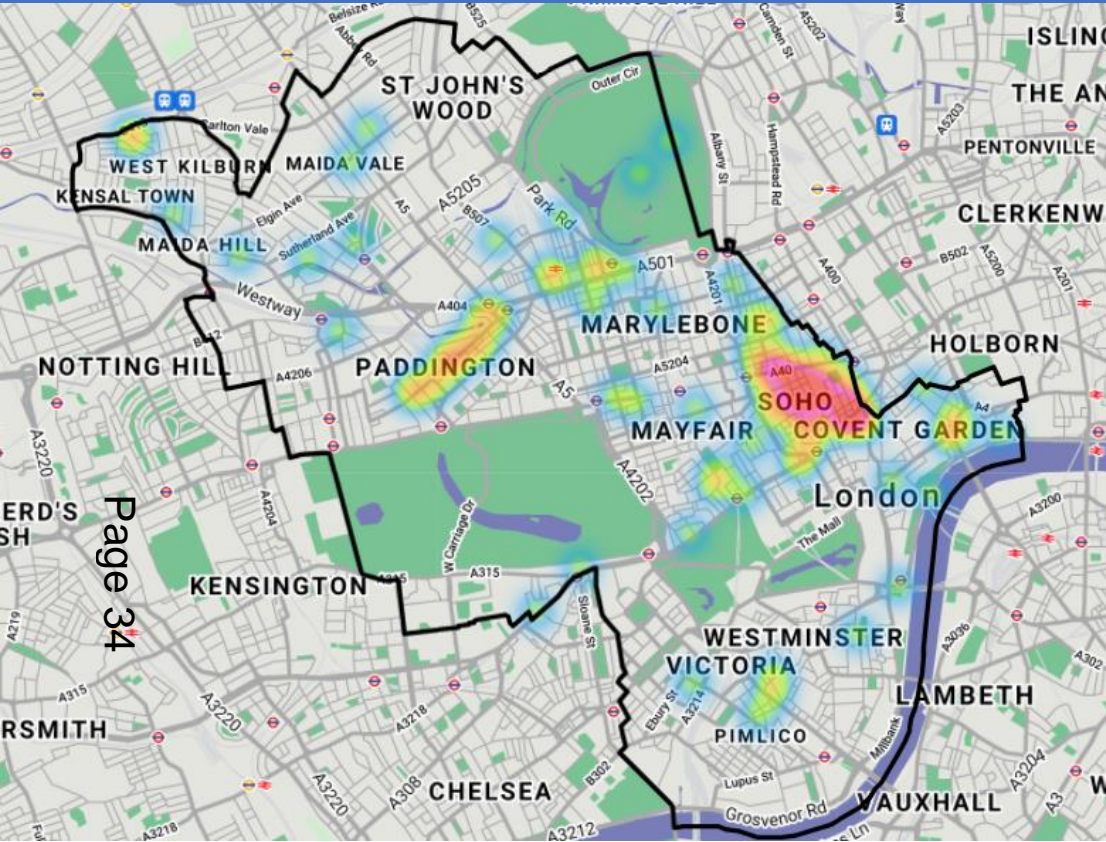
## Peak Day & Times

Wednesday (27) between 0000-0100hrs / 0900-1700hrs

Thursday (27) between 1700-2000hrs



# Non Residential Burglary

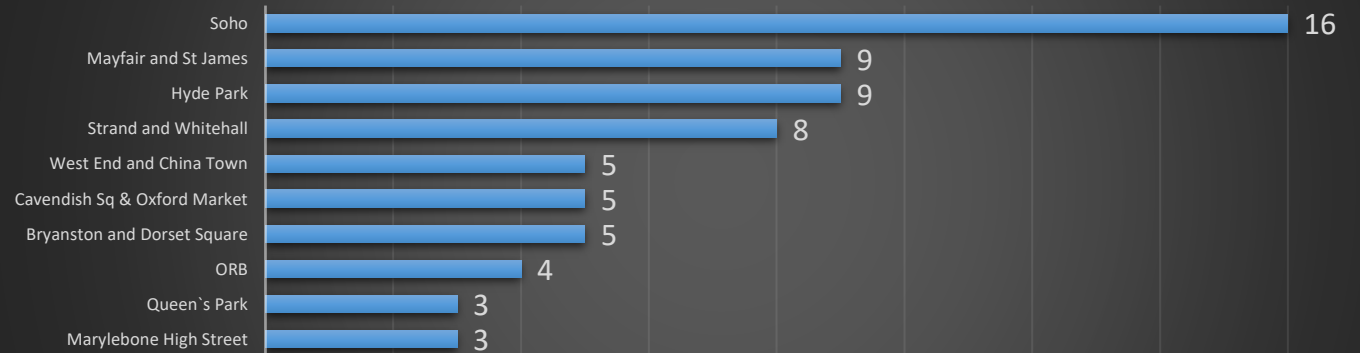


For December there were 87 offences, this is a decrease of 16.35% compared to last year's 104 offences and an increase of 6.10% compared to November's 82 offences. Over previous rolling 12 months there were 905 offences, this is a decrease of 37.97% compared to last year's 1,459 offences.

## Peak Day & Times

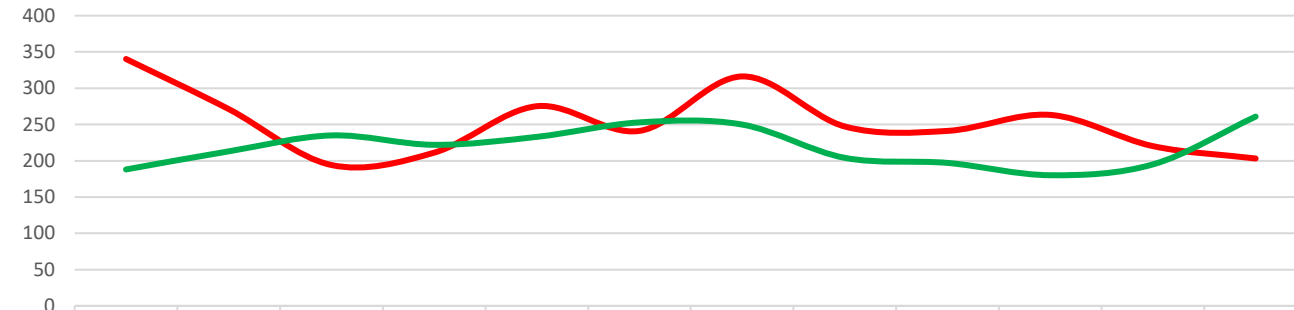
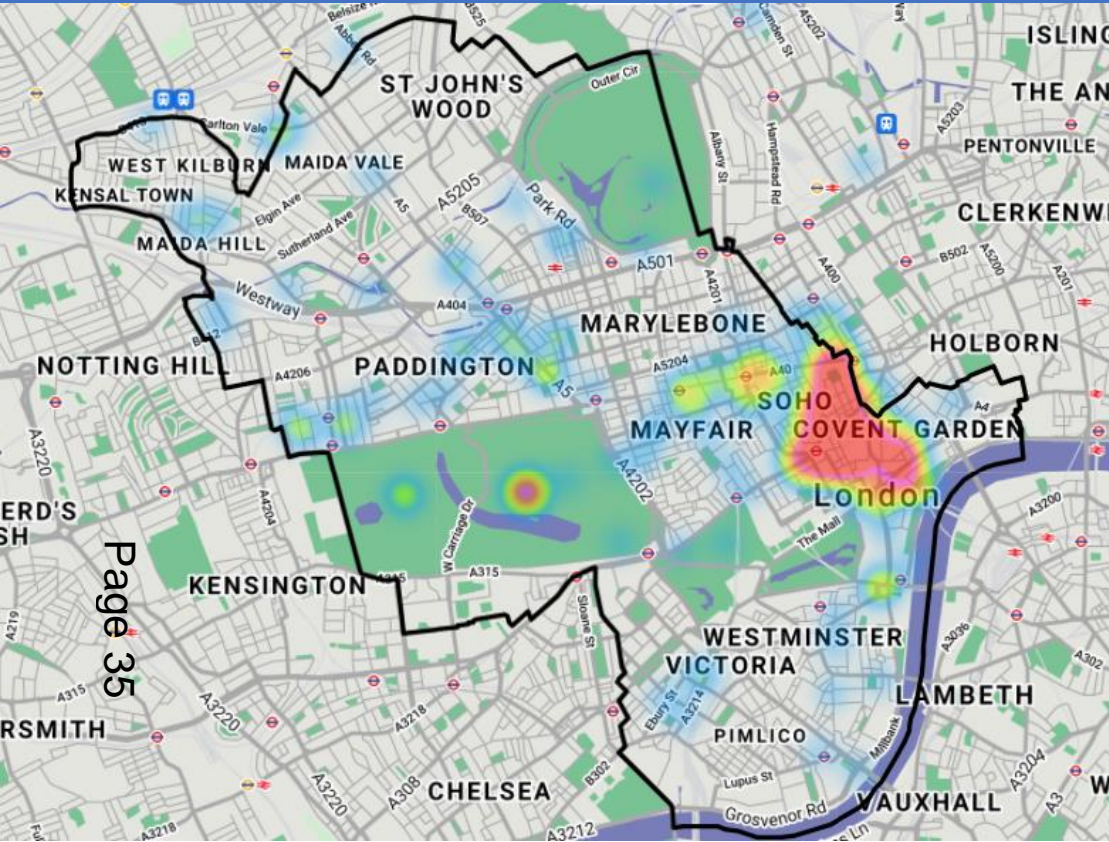
Thursday (18) between 1800-1900hrs

Friday (15) between 1700-1800hrs





# Drug Possession



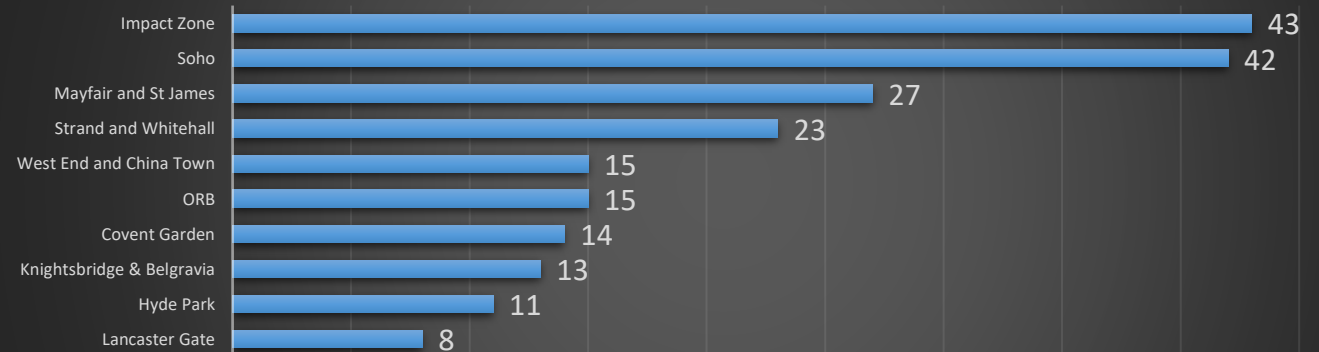
|          | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec |
|----------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| Previous | 340 | 271 | 194 | 211 | 275 | 241 | 316 | 247 | 241 | 263 | 220 | 203 |
| Current  | 188 | 213 | 235 | 222 | 233 | 253 | 250 | 204 | 197 | 180 | 195 | 261 |

For December there were 261 offences, this is an increase of 28.57% compared to last year's 203 offences and an increase of 33.85% compared to November's 195 offences. Over previous rolling 12 months there were 2,631 offences, this is a decrease of 12.94% compared to last year's 3,022 offences.

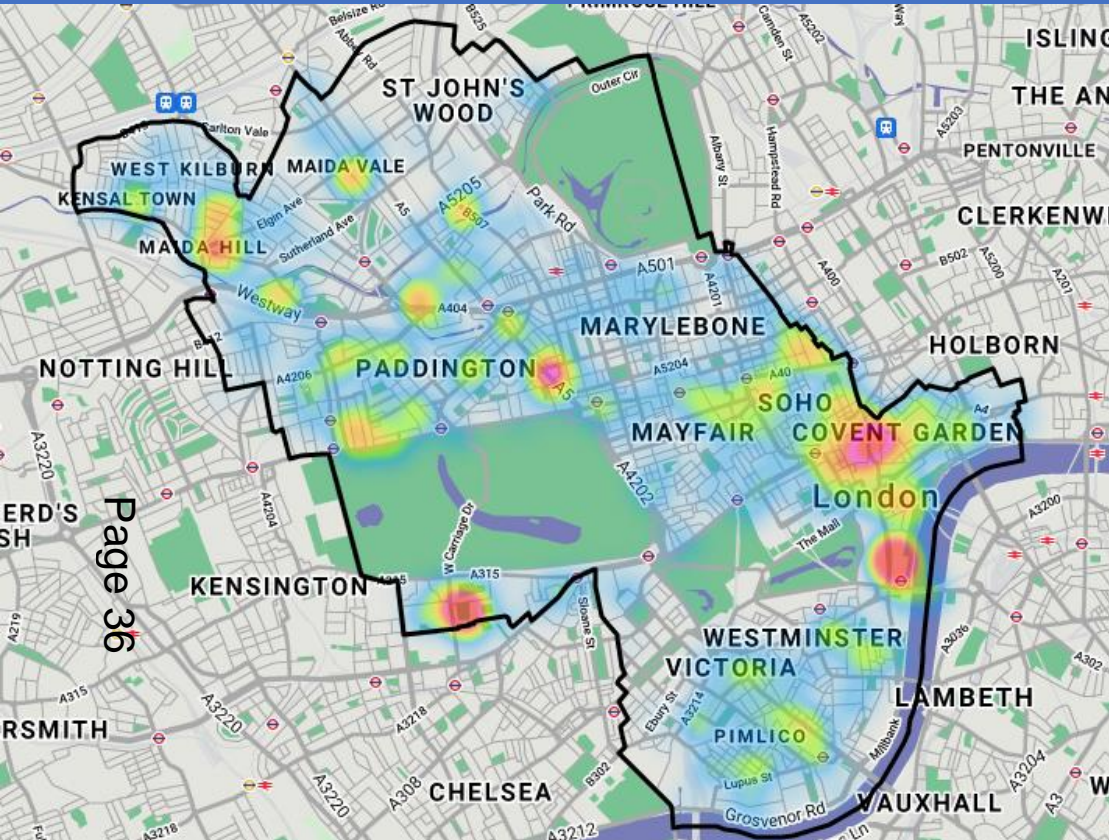
## Peak Day & Times

Friday (59) between 0000-0400hrs / 1700-1900hrs / 2200-0000hrs

Thursday (53) between 1500-2000hrs / 2300-0000hrs



# Anti Social Behaviour



|          | Jan   | Feb   | Mar   | Apr   | May   | Jun   | Jul   | Aug   | Sep   | Oct   | Nov   | Dec   |
|----------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Previous | 1,380 | 1,430 | 1,664 | 2,528 | 2,567 | 2,261 | 2,255 | 1,950 | 2,064 | 2,355 | 2,322 | 2,097 |
| Current  | 1,816 | 1,669 | 1,800 | 1,738 | 1,808 | 1,837 | 1,642 | 1,433 | 1,461 | 1,725 | 1,419 | 1,369 |

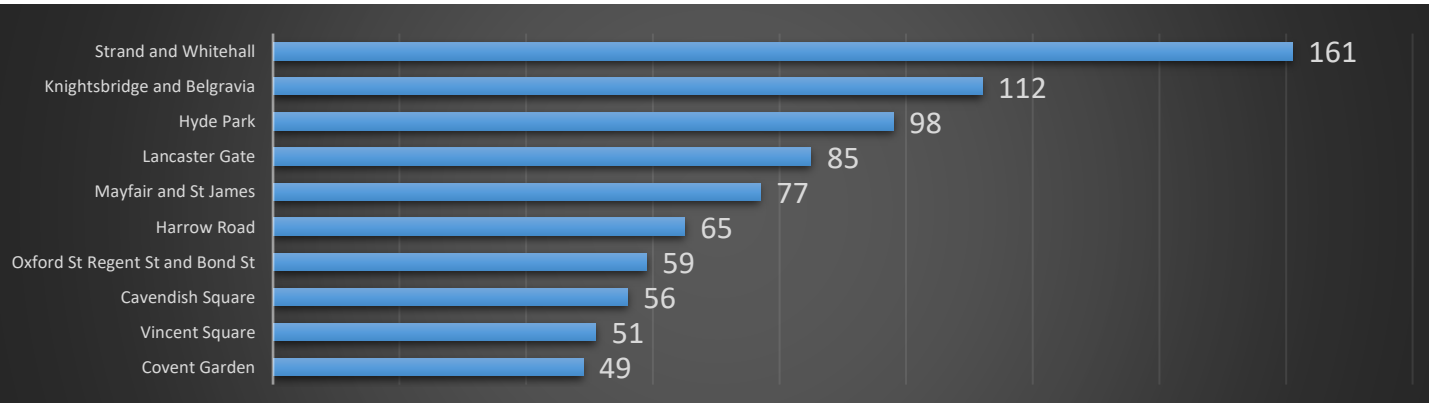
For December there were 1,369 reports, this is a decrease of 34.72% compared to last year's 2,097 reports and a decrease of 3.52% compared to November's 1,419 reports. Over previous rolling 12 months there were 19,717 reports, this is a decrease of 20.73% compared to last year's 24,873 reports.

## Peak Day & Times

Friday (252) between 1000-1200hrs / 1300-2200hrs

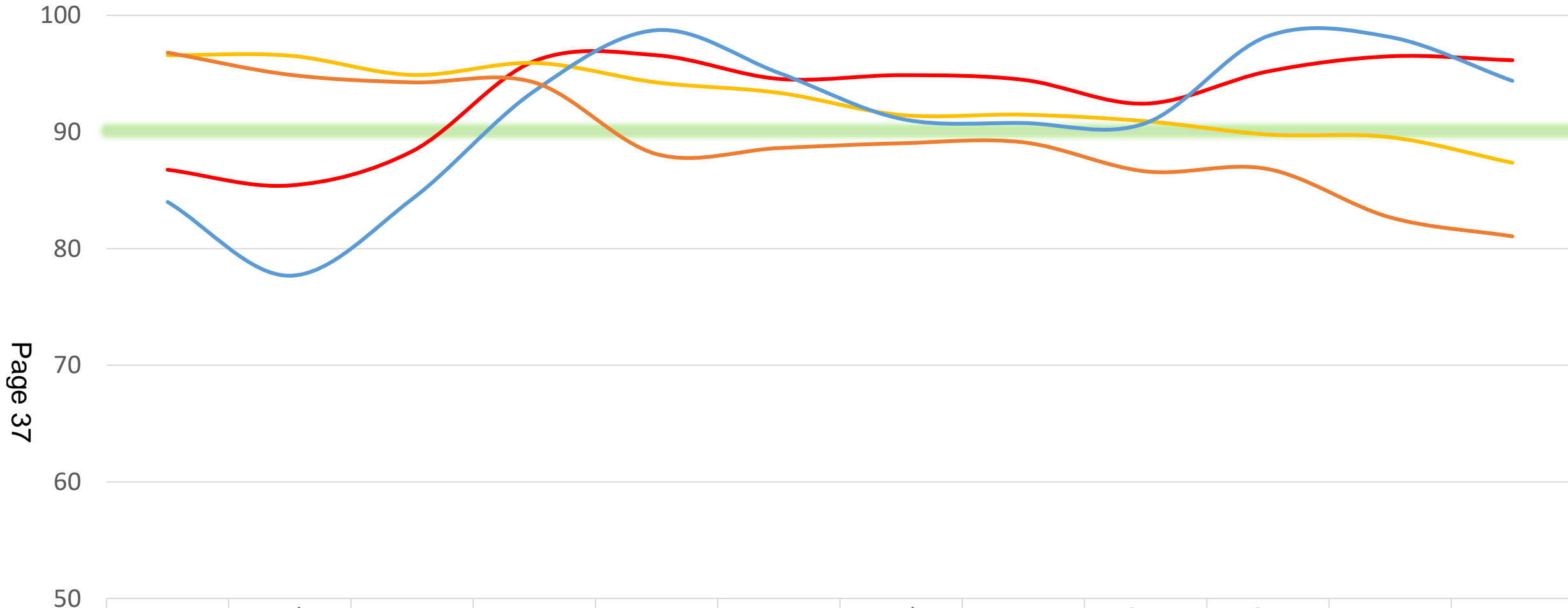
Sunday (237) between 0000-0100hrs / 2100-0000hrs

| Category      | Count |
|---------------|-------|
| Environmental | 23    |
| Nuisance      | 1239  |
| Personal      | 108   |





# '1' Grade Calls

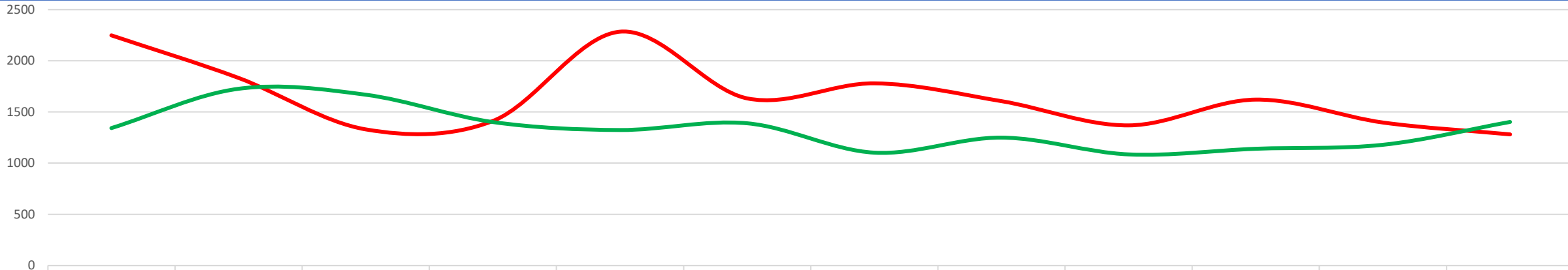


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|          | Jan   | Feb   | Mar   | Apr   | May   | Jun   | Jul   | Aug   | Sep   | Oct   | Nov   | Dec   |
|----------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Previous | 86.76 | 85.41 | 88.34 | 96.08 | 96.58 | 94.55 | 94.87 | 94.47 | 92.43 | 95.19 | 96.49 | 96.15 |
| Current  | 96.58 | 96.54 | 94.89 | 95.92 | 94.25 | 93.36 | 91.46 | 91.49 | 90.93 | 89.79 | 89.56 | 87.37 |
| DA Prev  | 84    | 77.67 | 84.25 | 93.52 | 98.74 | 95.07 | 91.13 | 90.77 | 90.76 | 98.23 | 98.15 | 94.39 |
| DA Curr  | 96.8  | 94.9  | 94.25 | 94.24 | 88.1  | 88.62 | 89.03 | 89.11 | 86.62 | 86.82 | 82.68 | 81.05 |



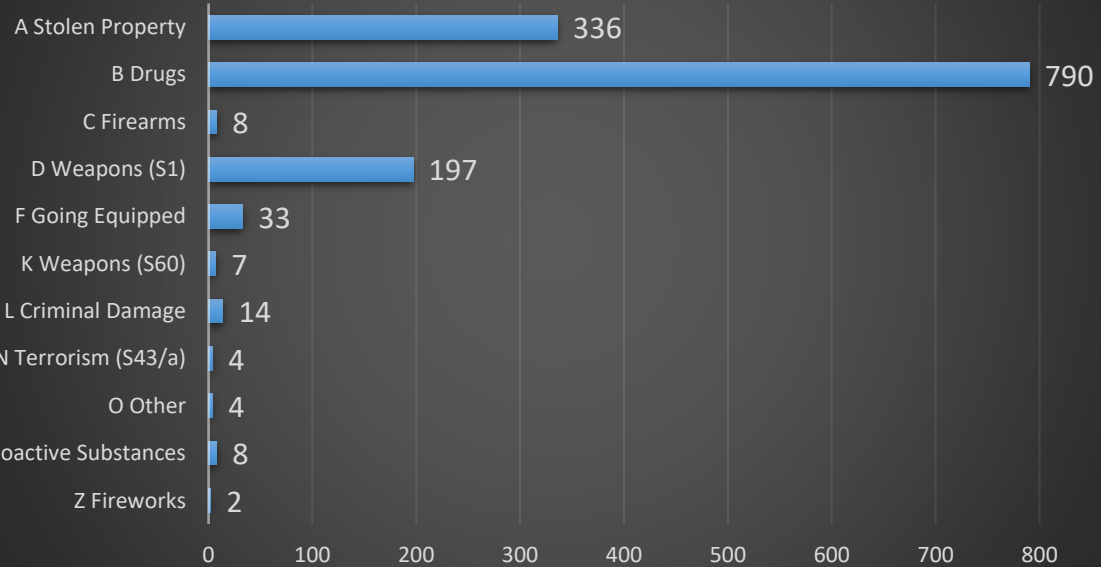
# Stop & Search



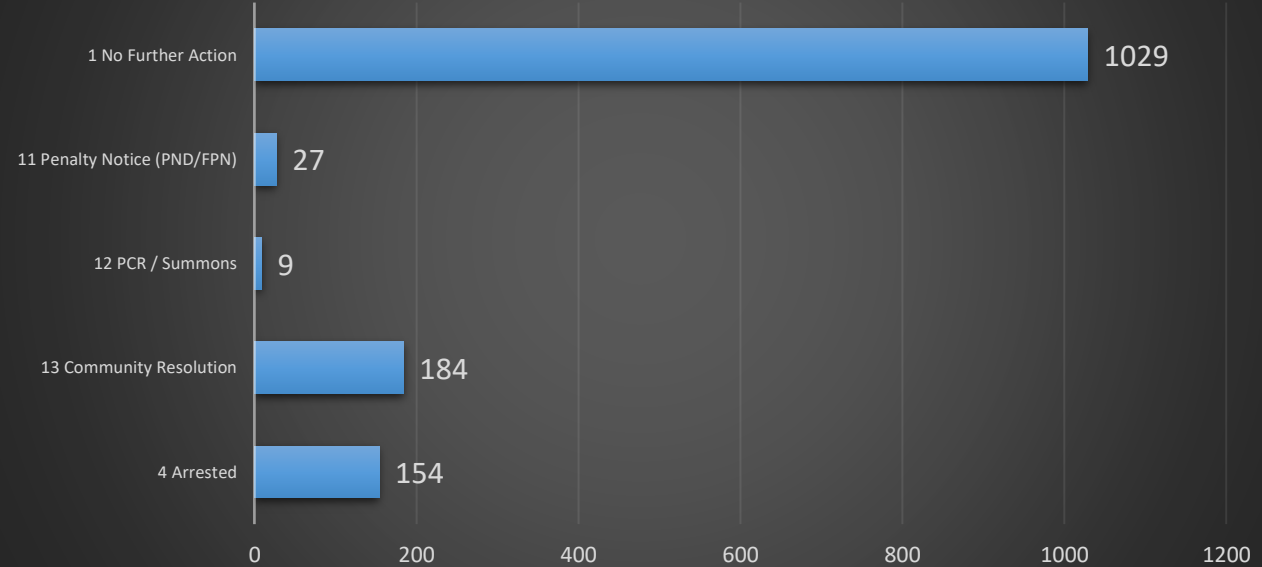
|          | January | February | March | April | May  | June | July | August | September | October | November | December |
|----------|---------|----------|-------|-------|------|------|------|--------|-----------|---------|----------|----------|
| Previous | 2248    | 1832     | 1329  | 1411  | 2284 | 1632 | 1779 | 1605   | 1368      | 1620    | 1396     | 1280     |
| Current  | 1343    | 1727     | 1669  | 1402  | 1324 | 1390 | 1103 | 1250   | 1086      | 1141    | 1180     | 1403     |

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## Stop & Search Reason

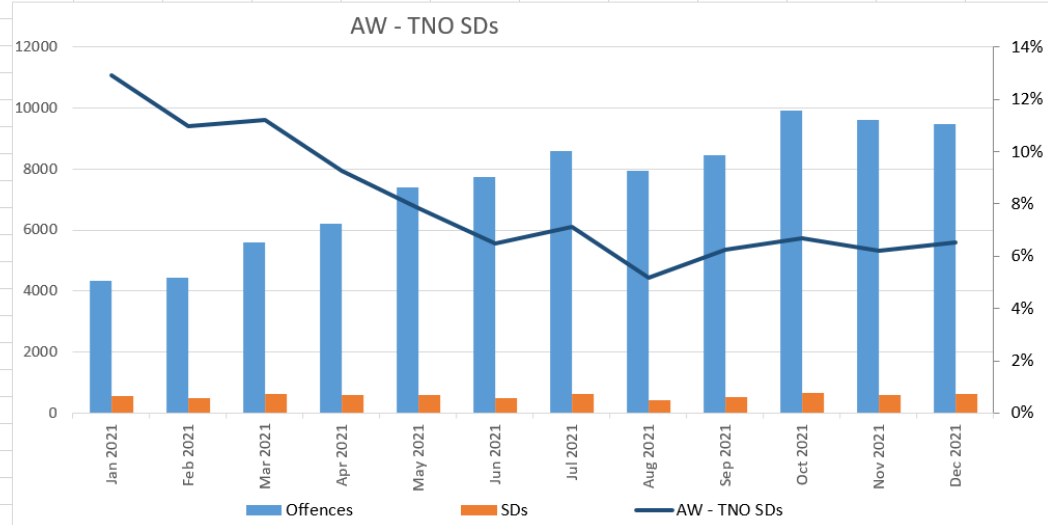


## Stop & Search Outcome

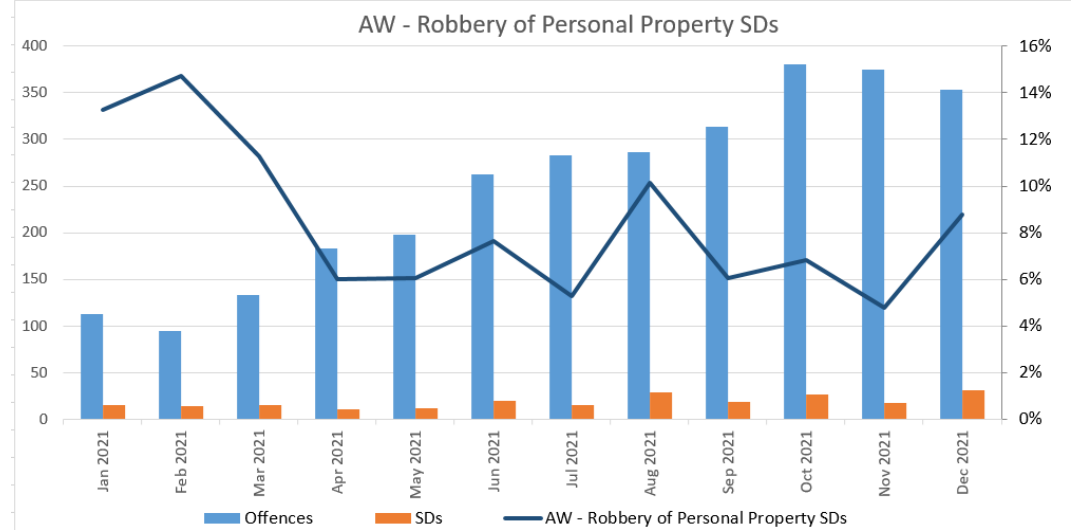


# Sanctioned Detections

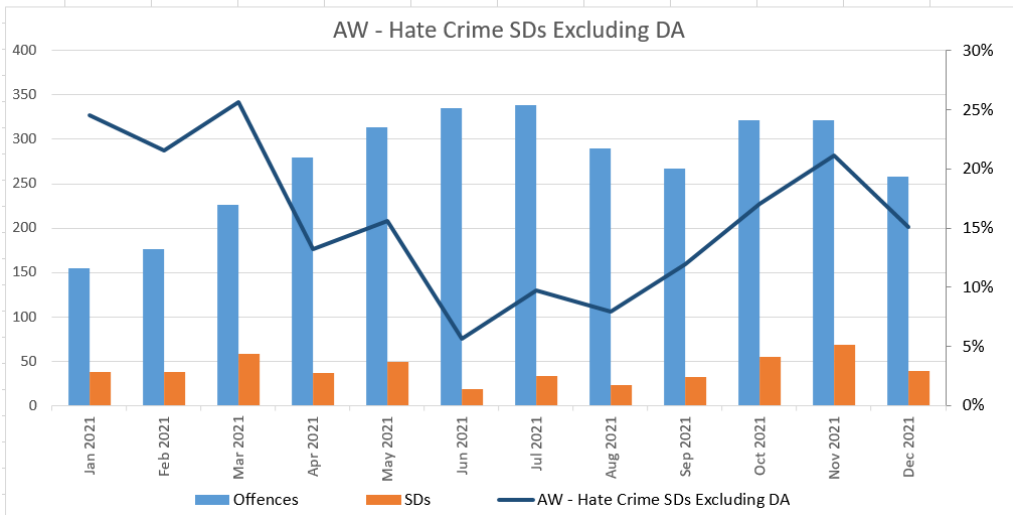
Jan - Dec 2021 SD Rate 7.5%



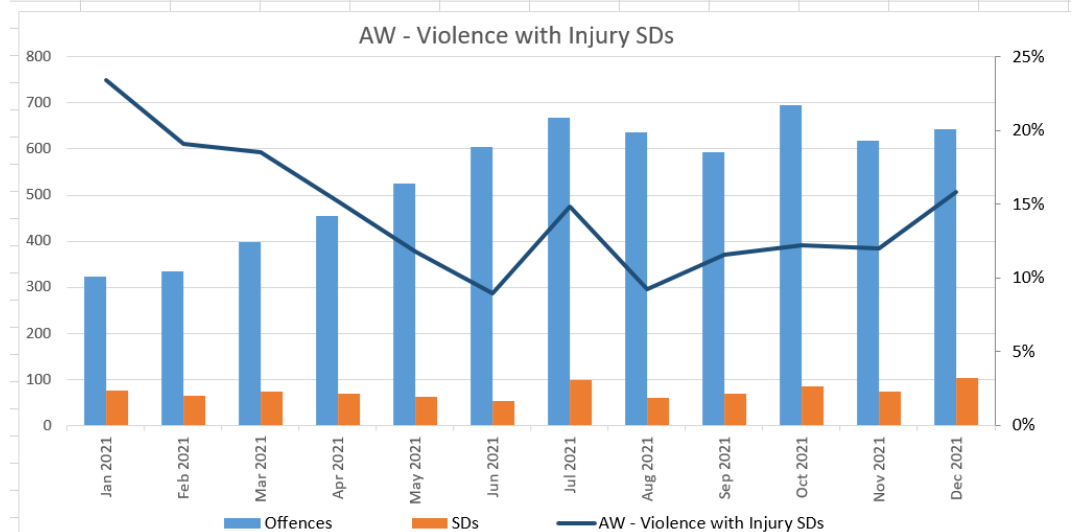
Jan - Dec 2021 SD Rate 7.6%



Jan - Dec 2021 SD Rate 14.9%

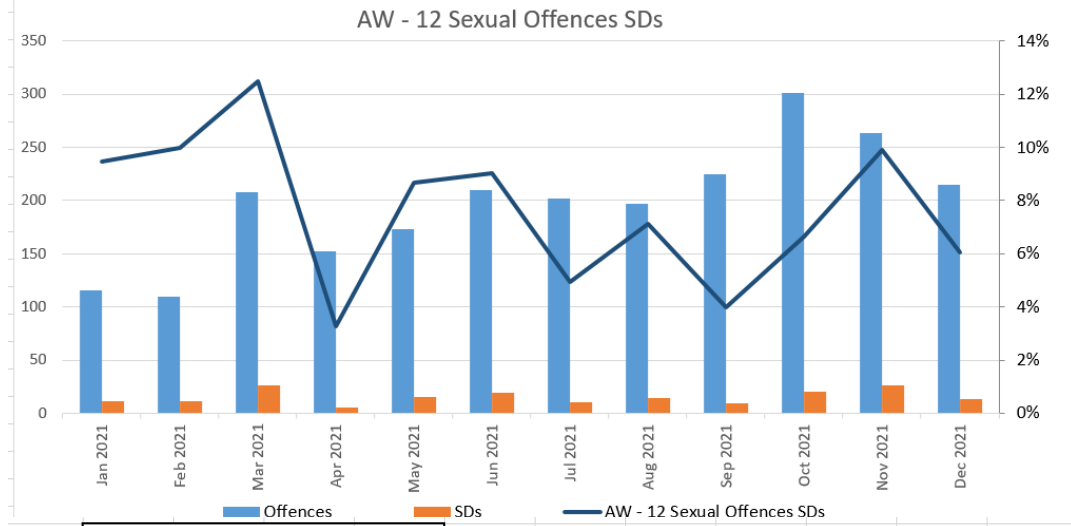


Jan - Dec 2021 SD Rate 13.7%

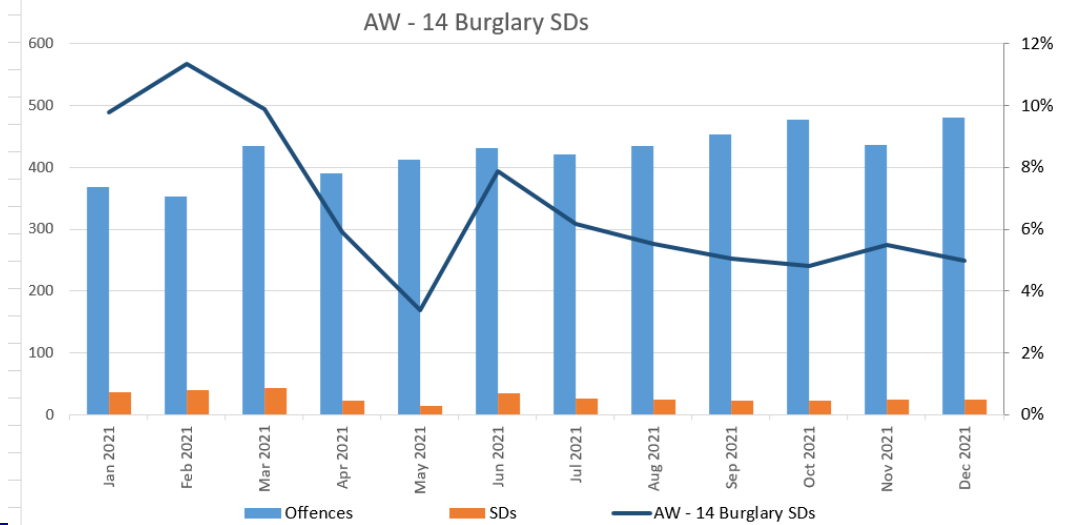


# Sanctioned Detections

Jan - Dec 2021 SD Rate 7.5%



Jan - Dec 2021 SD Rate 6.6%



Jan - Dec 2021 SD Rate 7.6%

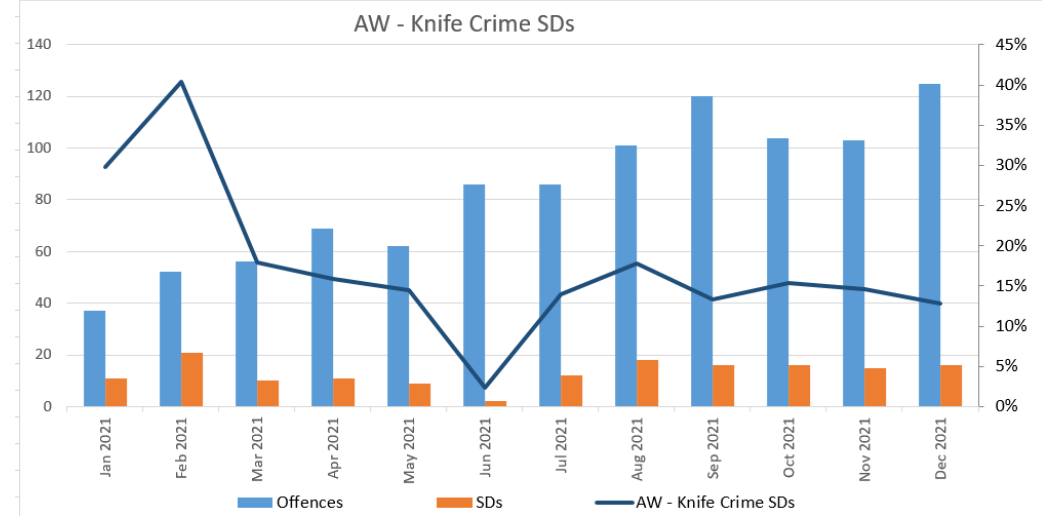
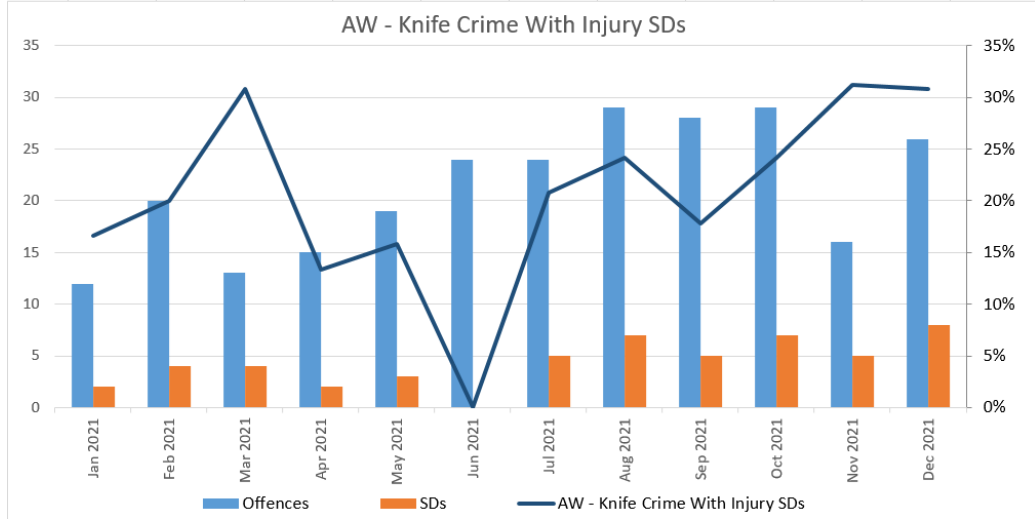
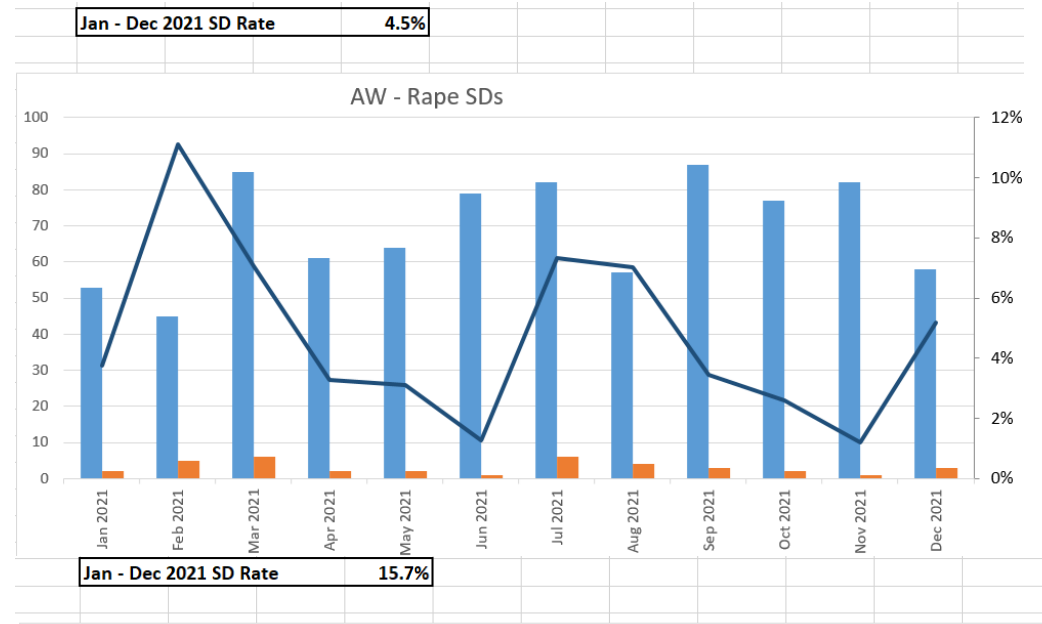
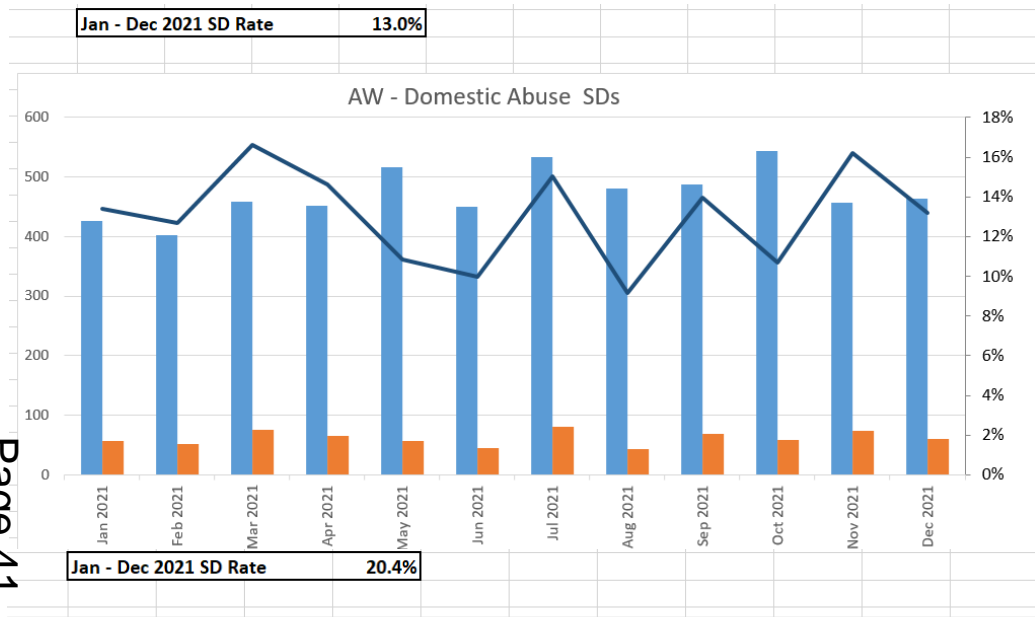


Jan - Dec 2021 SD Rate 14.9%



# Sanctioned Detections

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City of Westminster

## Audit and Performance Committee Report

**Date:**

**Classification:** General Release

**Title:** Report to Audit and Performance Committee on Section 7a Immunisation Programmes in Westminster 2021

**Wards Affected:** All

**City for All Summary** Due to the pandemic response, NHS England are unable to attend this meeting to update on current immunisation performance in coverage and uptake, the impact of the Covid-19 pandemic on immunisations delivery and mitigations. The committee are therefore asked to note only the action that the local authority public health team are taking to pilot a new approach in Westminster to support the NHS to improve childhood vaccination rates.

**Financial Summary:** Not applicable

**Report of:** Anna Raleigh, Bi-borough Director of Public Health

**Author:** Anna Cox, Public Health Strategist

Contact Details: [acox@westminster.gov.uk](mailto:acox@westminster.gov.uk)

### Introductory Note

- 1.1. *The Immunisation & Screening National Delivery Framework & Local Operating Model* (2013) sets out the roles and responsibilities of partners and organisations in the delivery of immunisations. Under this framework, NHS England is responsible for the routine commissioning of all National Immunisation Programmes under the terms of the Section 7a agreement, with primary care the provider for the majority of the pre-school immunisations.
- 1.2. NHS England have been invited to present a paper to update the Committee on progress of the Section 7a Childhood Immunisations programme in 2020/21 since their last presentation in September 2020 but were unable to field a representative.
- 1.3. Westminster has among the lowest rates of childhood immunisation uptake in England, although rates have steadied in recent years and are no longer declining rapidly. Immunisation rates remain far below the 95% level that the WHO recommends.
- 1.4. Recently published annual cover data for 2020/21 shows a mixed picture in Westminster with some immunisations showing a small increase overall in uptake whilst others have

declined. Overall the changes in either direction are relatively small. Uptake of HiB/MenC, PCV booster and first dose of MMR at 2 years old all fell by slightly more than 2 percentage points. Two doses of MMR completed by 5 years old increased by 0.9% but at 64.1% remains amongst the lowest in England with only Hackney (63.7%) and Camden ( 59.8%) having lower uptake.

1.5. Local Authority Public Health continue to work with partners to support the delivery of childhood immunisations locally:

- The Bi-Borough Immunisations Partnership Board was established in 2019 and meets quarterly. The next meeting is scheduled for February 2<sup>nd</sup> 2022.
- Public Health Intelligence refreshed the GP data tool that they developed which displays uptake and trends at GP practice level and allows benchmarking between practices, PCNs and Borough/CCG level. The tool also identifies the absolute numbers of unvaccinated children at each practice which can help to guide the development of interventions.
- Public Health Intelligence have also refreshed analysis showing variations in immunisation uptake by ward and demographic characteristics.
- Public Health was notified at the beginning of January that £114,626 has been successfully secured from NHS England. This is to implement a joint proposal with the Royal Borough of Kensington and Chelsea, for a childhood immunisation pilot to trial the delivery of childhood immunisations in community venues such as children's centres in conjunction with GP leads.
- From April 2021 QOF GP arrangements will include payments for achieving 4 new immunisation targets:
  - 90-95% uptake of diphtheria, tetanus and pertussis vaccines in 8 month old infants
  - 90-95% uptake of first dose MMR in 12-18months
  - 87-95% uptake of DTaP/IPV booster by 5 years old
  - 87-95% uptake of two doses of MMR by 5 years old

Appendix A

**Routine Childhood Immunisations Schedule 2020**

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/899422/PHE\\_Routine\\_Childhood\\_Immunisation\\_Schedule\\_Jun2020\\_03.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/899422/PHE_Routine_Childhood_Immunisation_Schedule_Jun2020_03.pdf)



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# **Report to Audit and Performance Committee on Section 7a Child Immunisation Programmes in Westminster 2021**

## **Report on Section 7a Immunisation Programmes in the London Borough of Westminster.**

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Presented to: Audit and Performance Scrutiny Committee

Classification: OFFICIAL

The NHS Commissioning Board (NHS CB) was established on 1<sup>st</sup> October 2012 as an executive non-departmental public body. Since 1<sup>st</sup> April 2019, the NHS Commissioning Board has used the name NHS England and Improvement for operational purposes.

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## 1 Aim

- The purpose of this paper is to provide an overview of Section 7a, childhood and seasonal influenza immunisation programmes in the London Borough of Westminster for 2020/21. The paper covers the vaccine coverage and uptake for each programme along with an account of what NHS England and Improvement (NHSE&I) London Region are doing to improve uptake and coverage.
- Section 7a immunisation programmes are publicly funded immunisation programmes that cover the life-course and the 18 programmes include:
  - Antenatal and targeted new-born vaccinations.
  - Routine Childhood Immunisation Programme for 0-5 years.
  - School age vaccinations.
  - Adult vaccinations such as the annual seasonal influenza vaccination.
  - COVID-19 Vaccination Programme.
- This paper focuses on those immunisation programmes provided for 0-5 years under the national Routine Childhood Immunisation Schedule.
- Members of the Audit and Performance Committee are asked to note and support the work NHSE&I (London) and its partners such as UKSHA, the local authority and the ICSs are doing to increase vaccination coverage and immunisation uptake in Westminster.

## 2 Roles and responsibilities

- *The Immunisation & Screening National Delivery Framework & Local Operating Model (2013)* sets out the roles and responsibilities of different partners and organisations in the delivery of immunisations.
- Under this guidance, NHS England and Improvement (NHSE&I), through its Area Teams (known as Screening and Immunisation Teams), is responsible for the routine commissioning of all National Immunisation Programmes under the terms of the Section 7a agreement. In this capacity, NHS England and Improvement is accountable for ensuring that local providers of services deliver against the national service specifications and meet agreed population uptake & coverage levels. NHS

England and Improvement is also responsible for monitoring providers' performance and for supporting providers in delivering improvements in quality and changes in the programmes when required.

- The UK Health Security Agency (UKHSA) Health Protection Teams lead the response to outbreaks of vaccine preventable disease and provide expert advice to NHSE&I screening and immunisation teams in cases of immunisation incidents. They also provide access to national expertise on vaccination and immunisation queries. In Westminster, this function is provided by the UKHSA North West Health Protection Team.
- Integrated Care Systems (ICSs) have a duty of quality improvement, and this extends to primary medical care services delivered by GP practices, including delivery of childhood immunisation services.
- Across the UK, the main providers of adult and childhood immunisation are GP practices. In Westminster, all general practices are contracted to deliver childhood immunisations for children aged 0-5 through their primary care contract.
- Central and North West London NHS Foundation Trust (CNWL) are contracted by NHSE&I (London) to provide the school age immunisations. Central London Community Healthcare NHS Trust (CLCH) are contracted to provide neonatal BCG vaccination.
- Immunisation data is captured on Child Health Information System (CHIS) for Westminster as part of the NWL CHIS Hub (provided by Health Intelligence). Data is uploaded into CHIS from GP practice records via a data linkage system provided by Health Intelligence. The CHIS provides quarterly and annual submissions to Public Health England for their publication of statistics on 0-5s childhood immunisation programmes. This is known as Cohort of Vaccination Evaluated Rapidly (COVER) and these are the official statistics.
- Local Authority Public Health Teams (LAs) are responsible for providing independent scrutiny and challenge of the arrangements of NHS England and Improvement, UKHSA and providers.
- Directors of Public Health across London also receive quarterly reports from the London Immunisation Partnership and updates via the Association of Directors of Public Health.

### 3 What is COVER and how is it produced?

- COVER monitors immunisation coverage data for children in UK who reach their first, second or fifth birthday during each evaluation quarter – e.g. 1<sup>st</sup> January 2020 to 31<sup>st</sup> March 2021, 1<sup>st</sup> April 2020 – 30<sup>th</sup> June 2021. Children having their first birthday in the quarter should have been vaccinated at 2, 3 and 4 months, those turning 2 should have been vaccinated at 12/13 months and those who are having their 5<sup>th</sup> birthday should have been vaccinated before 5 years, ideally 3 years 3 months to 4 years. This is an important point to note as often COVER statistics are used to improve uptake in general practice populations or communities. However, the data used is between 6 months and 18 months out of date and opportunities to ensure that those cohorts have been immunised in accordance with the routine immunisation schedule have therefore been missed.
- There are known complexities in collecting data on childhood immunisations. Indeed, since 2013, London's COVER data is usually published with caveats and drops in reported rates are always due to data collection or collation issues for that quarter. Production of COVER statistics in London involves a range of individuals and organisations with different roles and responsibilities.

### 3.1 Role of Child Health Information Service (CHIS)

- London has four CHIS Hubs – North East London (provider is North East London Foundation Trust, NELFT), South East London (provider is Health Intelligence), South West London (provider is Your Healthcare CIC) and North-West London (provider is Health Intelligence). These Hubs are commissioned by NHSE&I to compile and report London's quarterly and annual submissions to UKSA for COVER.
- A 'script' or algorithm is utilized to electronically extract anonymous data from the relevant data fields to compile the reports for COVER within the caveats specified. For example, for first dose of MMR, any child who had their MMR vaccination before their first birthday are not included and so appear unvaccinated.
- CHIS Hubs are commissioned to check the reports run and are expected to refresh the reports before final submission to UKHSA.
- CHIS Hubs are also commissioned to 'clean' the denominator by routinely undertaking 'movers in and movers out' reports. This is to ensure the denominator is up-to-date with the children currently resident in London. They are also expected to account for the vaccinations of unregistered children in London. Historically and currently, there are ongoing issues with CHIS

Hubs keeping up-to-date with movers in and removals which is picked up in contract performance meetings with the NHSE&I (London) commissioners.

### 3.2 Role of Data Linkage Systems

- Immunisation data is extracted from London's general practices' IT systems and uploaded onto the CHIS systems. This isn't done directly by the CHIS Hubs. Instead data linkage systems provided by three different providers provide the interface between general practices and CHIS. Two of these providers – QMS and Health Intelligence – are commissioned by NHSE&I whilst 4 boroughs in outer North-East London commission a separate system.
- Since the primary purpose of CHIS is to hold health information on individual children, the immunisation data extracted from general practices is patient identifiable data (PID). As a result, data sharing agreements are required between each general practice and CHIS. In 2017, NHSE&I (London) Immunisation Commissioning Team and CHIS Hubs worked to ensure that data sharing agreements were signed and agreed. Introduction of GPDR in mid-2018 meant that DSAs had to be resigned.
- NHS (London) Immunisation Commissioning Team receives data linkage reports from QMS and Health Intelligence. This provides a breakdown by general practice of the uptake of vaccinations in accordance to the COVER cohorts and cohorts for Exeter (for payments). This information is utilized by the team as part of the 'COVER SOP', to check against the COVER submissions by CHIS to question variations or discrepancies.

### 3.3 Role of General Practice

- While data linkage systems provide an automated solution to manual contact between CHIS and general practices, data linkage does not extract raw data. General practices have to prepare the data for extraction every month. This will vary between practices how automated the process is but it can be dependent upon one person to compile the data in time for the extraction by the data linkage system providers and should this person be on annual or sick leave, there will be missing data.
- General practices have to prepare data for four immunisation data systems – COVER, ImmForm (although this is largely done by their IT provider of Vision, EMIS or TPP SystemOne, all of whom are commissioned by their ICS), CQRS (the payments system run by NHS England and Improvement for the payment of administration of the vaccine) and Exeter (payments system,

whereby practices receive targeted payments for achieving 70% or 90% uptake of their cohorts – these cohorts are different to the COVER cohorts of children). Preparation of data for the systems again will vary between practices but this can be time and resource intensive.

- There is also an array of codes that can be used to code the vaccination (if a code different to what the data linkage system recognises is utilised, it results in the child looking unvaccinated) and there are difficulties with coding children who received their vaccinations abroad or delays in information on vaccinations given elsewhere in UK being uploaded onto the system in time for the data extraction.
- Whilst NHSE&I (London) immunisation commissioning team verify and pay administration of vaccines that are part of the Section 7a immunisation programmes, they do not commission general practices directly. Vaccination services, including call/recall (patient invite and reminder systems) are contracted under the General Medical Services (GMS) contract. This contract is held by primary care commissioning directorates of NHSE&I. To date, there is a lack of clarity on what levers NHSE&I (London) Immunisation Commissioning Team (with primary care colleagues) can use to ensure robust high-quality data for extraction for COVER and that practices are undertaking adequate call/recall.

#### 4 Headlines for London

- Historically and currently, London performs lower than national (England) averages across all the immunisation programmes.
- The COVID-19 pandemic in 2020 onwards impacted upon the delivery of Section 7a immunisation programmes, pausing some programmes and reducing delivery on others due to non-pharmaceutical interventions, re-deployment of workforce onto COVID-19 pandemic and the introduction of the COVID-19 vaccination programmes.
- The dissolution of Public Health England in September 2021 has changed the governance structure around immunisation programmes including the roles and responsibilities of NHSE/I, UKHSA, OHID (in DHSC), ICSs and local authorities. This new governance structure is yet to be published. However, NHSE/I remain the commissioning organisation for Section 7a immunisation programme and are responsible and accountable for these programmes.
- The London Immunisation Partnership Board paused in 2020 but is expected to meet again in March 2022. However, NHSE/I London remain committed to ensure that the London population are protected from vaccine preventable diseases and are working to increase equity in access to vaccination services and to reduce health inequalities in relation to immunisations.
- London faces challenges in attaining high coverage and uptake of vaccinations due to high population mobility, increasing population, increasing fiscal pressures and demands on health services and a decreasing vaccinating workforce.



- From 1 April 2021, the GP contract agreement has been updated to include new standards for vaccination and immunisation services
- The provision of vaccination and immunisation services have become an essential service for all routine NHS-funded vaccinations with two exceptions: childhood and adult seasonal influenza, and COVID-19 vaccination
- Five core contractual standards will be introduced to underpin the delivery of immunisation services:
  - A named lead for vaccination service.
  - Provision of sufficient convenient appointments.
  - Standards for call/recall programmes and opportunistic vaccination offers.
  - Participation in national agreed catch-up campaigns.
  - Standards for record keeping and reporting.
- A single item of service fee will be fully implemented for all doses delivered in vaccination programmes funded through the GMS contract
- The Childhood Immunisation Target DES was retired on 31 March 2021 and a new vaccination and immunisation domain in the Quality and Outcomes Framework (QOF) introduced for 2021/22 with payment thresholds of 90-95% uptake for indicators in primary immunisations, MMR, pre-school immunisations and shingles.

## 5 Routine Childhood Immunisation Programme (0-5 years)

- The routine childhood immunisation programme protects against:
  - Diphtheria, Tetanus, Pertussis (whooping cough), Polio, Haemophilus influenza type b (given as the '6 in 1' DTaP/IPV/Hib/Hep B vaccine)
  - Pneumococcal disease, (PCV)
  - Meningococcal group C disease (Men C)
  - Meningococcal group B disease
  - Measles, Mumps and Rubella (MMR)
- Children aged 1 year should have received 3 doses of 6 in 1 (called the primaries) and 2 doses of Men B. If eligible, they may also be offered the targeted BCG and Hep B.
- At 12 months, they are offered first dose of MMR and the boosters of PCV, Hib/Men C and Men B.

- At 2 years and again at 3 years, children are offered annual child influenza vaccine.
- From 3 years 4 months to 5 years, children are offered 2<sup>nd</sup> dose of MMR and preschool booster (which is the fourth dose of the diphtheria/tetanus/pertussis/polio course).

## 6 Westminster and the challenges

- Westminster is affected by the same challenges that face the London region. London has in recent years delivered significantly poorer uptake than the remainder of the country. Reasons for the low coverage include:
  - Complexities in data collection for COVER statistics.
  - London's high population mobility which affects data collection and accuracy.
  - Coding errors in general practice (including missing data for patients vaccinated abroad or elsewhere).
  - Inconsistent patient invite/reminder (call-recall) systems across London
  - Declining vaccinating workforce.
  - Decreasing and ageing GP workforce dealing with increasing work priorities and patient lists, resulting in shortages of vaccinators and appointments.
  - Difficulties accessing appointments.
  - Large numbers of underserved populations whom are associated with lower uptake of vaccinations than the wider population (i.e. delayed vaccinations).
  - Growing vaccine hesitancy (i.e. confidence in vaccine, lack of convenience and complacency).
- The impact of nationwide non-pharmaceutical interventions such as social distancing measures and specific guidance for all groups to temporarily shield remained in place throughout the COVID-19 pandemic.
- There are several challenges facing immunisation programme delivery, and these have been given particular attention recently in the context of the COVID-19 pandemic and vaccination programme. Delivering a successful immunisation programme requires ensuring equitable access to services and equality in uptake; addressing complex reasons behind vaccine hesitancy; and providing timely and complete data to enable accurate surveillance of coverage and identification of populations requiring additional support to access immunisation.

- The mobility and diverse demographic profile of the London population in comparison with other regions heighten the challenges facing immunisation programme delivery. London has a high population turnover, which can present challenges in ensuring patients are contacted when they are eligible for vaccination and making it more difficult to maintain accurate GP patient lists, which are used as denominators for immunisation coverage and can therefore artificially reduce official coverage figures. Lower vaccine uptake has previously been associated with higher levels of deprivation and among certain ethnic and religious groups and again this presents additional challenges for immunisation delivery in London. London has a high degree of ethnic diversity, with the lowest White British population (44.9%) of all English regions (England average 80.49%) and in addition, although London has seen improvements in deprivation since 2015, income deprivation remains high, especially among older people.
- These challenges may help to explain the historically lower immunisation coverage in London and to ensure equality in immunisation uptake across all population groups, they must be addressed in programme planning and delivery.
- London's high population turnover is a big factor. There is a 20-40% annual turnover on GP patient lists which affects the accuracy of the denominator for COVER submissions, which in Westminster's case inflates the denominator (i.e. number of children requiring immunisation) resulting in a lower uptake percentage. A 2017 audit by London's CHIS providers showed that by the age of 12 months, 33% of infants moved address at least once.
- It could be argued that with a bigger denominator, London has a bigger number of unvaccinated children. However, only a proportion of these 'unvaccinated' children are truly unvaccinated, the others have been vaccinated abroad (there are known difficulties recording these) or within UK (records may not be updated in time for the data extraction). These vaccinations have not been captured on data systems. Similarly, there are children who are vaccinated outside the schedule (either early or late) and are not included in the cohorts reported.
- Westminster has a high number of private practices compared to other boroughs. Children may register in the area and therefore show up on the CHIS system but never actually access their GP or just have certain vaccinations and then go privately for some. As private practice data cannot be accessed, it is unknown what numbers this constitutes.

## 6.1 Westminster's uptake and coverage rates

- COVER monitors immunisation coverage data for children in UK who reach their first, second or fifth birthday during each evaluation quarter – e.g. 1<sup>st</sup> January 2012 to 31<sup>st</sup> March 2012, 1<sup>st</sup> April 2012 – 30<sup>th</sup> June 2012. Children having their first birthday in the quarter should have been vaccinated at 2, 3 and 4 months, those turning 2 should have been vaccinated at 12/13 months and those who are having their 5<sup>th</sup> birthday should have been vaccinated before 5 years, ideally 3 years 3 months to 4 years.
- Like many other London boroughs, Westminster has not achieved the World Health Organisation recommended 95% coverage for the primaries and MMR to provide herd immunity (i.e. the proportion of people that need to be vaccinated to stop a disease spreading in the population).
- For immunisations, uptake is usually compared with geographical neighbours as immunisation uptake is affected by service provision and neighbouring boroughs in NWL historically have similar general practice provision and thereby provide a better comparison than statistical neighbours.
- The tables below illustrate the comparison of Westminster to the North West ICS area, the London regions and England using quarterly COVER statistics for the uptake of the main COVER indicators for uptake. These are
  - The primaries (i.e. completed three doses of DTaP/IPV/Hib/HepB) are used to indicate completion of age one immunisations.
  - PCV and Hib/MenC boosters and first dose of MMR for immunisations by age 2.
  - Preschool booster and second dose of MMR for age 5.
- Quarterly rates vary considerably more than annual rates but are used here so that Quarter 4 data from 2020/21 (the latest available data) could be included.

### NWL ICS Area Primary Course 2020 - 2021

|                     | 2020-21 Q1 |         |         | 2020-21 Q2 |         |         | 2020-21 Q3 |         |         | 2020-21 Q4 |         |         |
|---------------------|------------|---------|---------|------------|---------|---------|------------|---------|---------|------------|---------|---------|
|                     | Eligible   | Vacci.. | Cover.. | Eligible   | Vacci.. | Cover.. | Eligible   | Vacci.. | Cover.. | Eligible   | Vacci.. | Cover.. |
| <b>England</b>      | 154,523    | 143,359 | 92.8%   | 158,053    | 145,495 | 92.1%   | 148,715    | 136,109 | 91.5%   | 144,864    | 132,728 | 91.6%   |
| <b>Region</b>       | 32,136     | 28,570  | 88.9%   | 33,051     | 29,039  | 87.9%   | 31,890     | 27,476  | 86.2%   | 29,988     | 25,809  | 86.1%   |
| <b>STP</b>          | 6,836      | 6,055   | 88.6%   | 6,866      | 6,054   | 88.2%   | 6,481      | 5,622   | 86.7%   | 6,042      | 5,231   | 86.6%   |
| CITY OF WESTMINSTER | 473        | 399     | 84.4%   | 461        | 368     | 79.8%   | 466        | 380     | 81.5%   | 394        | 327     | 83.0%   |

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**NWL ICS Area MMR 2 Uptake 2020-21**

|                     | 2020-21 Q1 |         |         | 2020-21 Q2 |         |         | 2020-21 Q3 |         |         | 2020-21 Q4 |         |         |
|---------------------|------------|---------|---------|------------|---------|---------|------------|---------|---------|------------|---------|---------|
|                     | Eligible   | Vacci.. | Cover.. | Eligible   | Vacci.. | Cover.. | Eligible   | Vacci.. | Cover.. | Eligible   | Vacci.. | Cover.. |
| <b>England</b>      | 160,484    | 146,028 | 91.0%   | 163,265    | 148,000 | 90.7%   | 155,694    | 140,563 | 90.3%   | 148,863    | 132,925 | 89.3%   |
| <b>Region</b>       | 32,886     | 27,690  | 84.2%   | 33,832     | 28,390  | 83.9%   | 32,651     | 27,100  | 83.0%   | 30,493     | 24,627  | 80.8%   |
| <b>STP</b>          | 6,709      | 5,524   | 82.3%   | 6,935      | 5,658   | 81.6%   | 6,743      | 5,503   | 81.6%   | 6,282      | 5,093   | 81.1%   |
| CITY OF WESTMINSTER | 472        | 370     | 78.4%   | 507        | 387     | 76.3%   | 443        | 356     | 80.4%   | 420        | 308     | 73.3%   |

**NWL ICS Area Pre School Booster Uptake 2020-21**

|                     | 2020-21 Q1 |         |         | 2020-21 Q2 |         |         | 2020-21 Q3 |         |         | 2020-21 Q4 |         |         |
|---------------------|------------|---------|---------|------------|---------|---------|------------|---------|---------|------------|---------|---------|
|                     | Eligible   | Vacci.. | Cover.. | Eligible   | Vacci.. | Cover.. | Eligible   | Vacci.. | Cover.. | Eligible   | Vacci.. | Cover.. |
| England             | 173,705    | 148,655 | 85.6%   | 178,227    | 152,233 | 85.4%   | 171,664    | 146,591 | 85.4%   | 167,046    | 142,086 | 85.1%   |
| Region              | 34,500     | 25,641  | 74.3%   | 35,668     | 26,383  | 74.0%   | 35,154     | 25,527  | 72.6%   | 33,093     | 24,054  | 72.7%   |
| STP                 | 7,022      | 5,127   | 73.0%   | 7,194      | 5,248   | 72.9%   | 7,173      | 5,182   | 72.2%   | 6,643      | 4,878   | 73.4%   |
| CITY OF WESTMINSTER | 436        | 273     | 62.6%   | 486        | 298     | 61.3%   | 475        | 284     | 59.8%   | 467        | 275     | 58.9%   |

### **NWL ICS Area Pre School Booster Uptake 2020-21**

|                     | 2020-21 Q1 |         |         | 2020-21 Q2 |         |         | 2020-21 Q3 |         |         | 2020-21 Q4 |         |         |
|---------------------|------------|---------|---------|------------|---------|---------|------------|---------|---------|------------|---------|---------|
|                     | Eligible   | Vacci.. | Cover.. | Eligible   | Vacci.. | Cover.. | Eligible   | Vacci.. | Cover.. | Eligible   | Vacci.. | Cover.. |
| England             | 173,705    | 150,953 | 86.9%   | 178,227    | 154,468 | 86.7%   | 171,664    | 148,891 | 86.7%   | 167,046    | 144,370 | 86.4%   |
| Region              | 34,500     | 26,439  | 76.6%   | 35,668     | 27,201  | 76.3%   | 35,154     | 26,450  | 75.2%   | 33,093     | 24,871  | 75.2%   |
| STP                 | 7,022      | 5,131   | 73.1%   | 7,194      | 5,239   | 72.8%   | 7,173      | 5,210   | 72.6%   | 6,643      | 4,873   | 73.4%   |
| CITY OF WESTMINSTER | 436        | 283     | 64.9%   | 486        | 298     | 61.3%   | 475        | 292     | 61.5%   | 467        | 277     | 59.3%   |

Source: UKHSA, 2022

- Provision of vaccinations dropped 20/21. This is understandable given the changes general practice had to undergo and the government messaging for people to stay at home. This shows the initial and sustained impact that COVID-19 has on the uptake of vaccinations. Uptake rates may change over the course of the next few months, particularly as a survey of all practices by NHSE&I showed that practices have adapted their services over the last month to deliver vaccinations as safely as possible. A number of public campaigns have been run to encourage parents to come forward for vaccinations.

## **6.2 What are we doing to increase uptake of COVER in Westminster?**

- Westminster, like other London boroughs, performs below England averages for completed routine childhood immunisations, as indicated by MMR 2nd dose and preschool booster. This is also below the recommended WHO 95% recommended uptake levels. Improving uptake rates in Westminster is being undertaken by pan London endeavours as well as local borough

partnership work between ICSs, local authority, UKSHA and NHSE&I London. This involves examining uptake data, looking at local need and formulating a plan to increase uptake.

- We are moving to a collaborative model to improve immunisation uptake in London. The strategic direction provided by Immunisation Board at ICS level and Partnership working at a local level to improve uptake
- Immunisation boards will consider the following themes raised in the survey:
  - Increased involvement of health visitors, school nurses and others
  - Workforce capacity and funding
  - Standing up additional sites and alternative models of delivery
  - Better data
- NHSE/I London Immunisation Team have funded 16 full time immunisation coordinators across London – roughly one for every 2 London boroughs. Recruitment currently underway at ICS level. These coordinators will work with practices to support the delivery of vaccination programmes including:
  - Establishing call/recall.
  - Improving data flows.
  - Sharing best practice.
- Standards for call/recall are set out in the GP contract agreement. The Child Health Information System (CHIS) now sends weekly emails to practices with lists of children who are due for immunisation.
- A new Text Reminder Service was launched in July 2021 in London – this is run by the CHIS who have 98% of parent phone numbers:
  - Text parents two weeks before primary immunisations are due
  - Text parents a month after primary immunisations are due if not given
- New London Immunisation Coordinators will work with practices who are struggling to embed call/recall
- There has been a large amount of engagement work for the COVID-19 vaccines undertaken in the last six months by a wide variety of healthcare and community partners. We will continue to build on this for other vaccination programmes. This will involve close collaborative working with partners at local level to work with communities who have lower vaccine uptake.

- Improving uptake of MMR to improve the uptake rates of MMR by ages 2 and 5 over the next 12 months. Called London's MMR Recovery Plan, this is being implemented across London. The main actions of the MMR Recovery Plan are as follows:
  - Work with general practices to proactively chase parents who miss the 12 month MMR appointment.
  - MMR offered at 1 year developmental check.
  - MMR offered at 2 ½ year developmental check.
  - Reducing Missed Opportunities Vaccinations (MOV) protocols in every general practice.
  - Work with emerging primary care networks (PCNs) to increase capacity of general practice.
  - MMR checked and signposted in early year settings (entry at 1 year, remain until 4-5 years).
  - CHIS notifications support GP practices for MMR invites/reminders (started August 2019).
  - Consistent automatic call/recall systems across PCNs.
  - MMR checked and signposted at primary school entry.
  - MMR checked and offered with child flu vaccinations in reception year
  - Work with local partners to target inequities in vaccination uptake
  - Consider alternative vaccinators.

## 7 Seasonal 'flu Vaccination

### Vaccination Uptake rates

- The [national influenza \(flu\) immunisation programme for 2021/22](#) set high and stretching ambitions, reflecting the importance of protecting against flu for those who are most vulnerable in society at this time of year. Not only is it seen as essential that the associated morbidity and mortality is reduced to protect those most vulnerable, but it was also noted to be vitally important to reduce hospitalisations during a time when the NHS and social care were potentially going to be managing outbreaks of COVID-19 and increased UEC demand
- The London' Flu Plan reflects the ambitions of the national programme, in relation to the targeted patient cohorts and the desired high vaccine uptake levels. It also refers to the key learning from the 2020/21 flu immunisation programme, and the learning afforded from the successful delivery of the COVID-19 vaccination programme
- The delivery of the Plan has been guided by the World Health Organisation's vaccine uptake framework for understanding barriers and facilitators of vaccine uptake and the three drivers:



- **Convenience** - how easy it is to access vaccination
  - **Complacency** - awareness of the vaccine, the need for the vaccine or its benefits, or whether the vaccine is relevant to them
  - **Confidence** - relates to trust in the vaccine, healthcare services and policy makers
- The ambition for London's vaccination uptake across the eligible cohorts was to exceed 2020/21 regional levels, noting that the expanded flu programme this season and higher population figures in eligible cohorts presented a huge challenge for the region, alongside delivery of a demanding Covid-19 vaccination programme, and circulating Covid-19 infection
  - Nationally, there was a target of 85% 'flu vaccine uptake for patients aged 65 years and older and 75% for the clinical 'at risk' groups (those aged 6 months to 64 years with long term conditions), including pregnant women. For 2-3-year olds and school children the ambition was for at least 70%, with most practices aiming to achieve higher.
  - The latest available UKHSA published data is for December 2021 – it must be noted that the current 'flu season is still underway with the data collection being completed by end of March 2022. There is data latency with some of the information flows, and therefore over the forthcoming weeks, there will be work underway to ensure GP records are updated with the aim of providing a near accurate picture by the end of the season
  - However, at this point in the season it is correct to say that London's performance so far has been better than the previous season in the 50-64-year-old cohort only
  - Rates to date have been lower than 2020/21 for the clinical at risk, pregnant women and in age 2- and 3-year olds. Further efforts are underway during January and February to continue to encourage eligible people to come forward, and specifically within these cohorts.
  - Table 1 illustrates the uptake in London compared to England for the years 2019/20 to 2021/22.
  - All ICSs in London have performed below the national ambition of 85% for over 65s and 75% for clinically at-risk groups for the 2021/22 season to date
  - 'Flu vaccination uptake for this season has been affected by:
    - The expanded and accelerated Covid-19 booster programme in December 2021 – this was the national focus at that time due to the Omicron variant
    - The healthy 12-15-year olds Covid-19 vaccination programme – this affected the expanded 'flu vaccination programme for school-aged children
    - Concern from people on receiving both 'flu and Covid-19 vaccinations at the same time/close together, and therefore prioritising the Covid-19 vaccination

- General Practice vaccine stock not meeting requirements of early public demand, and then delayed access to national DHSC vaccine stock
  - Pharmacy stock was also depleted earlier in the season due to early demand, especially with the 50-64-year-old cohort including as eligible
  - The low circulation of influenza, and perceived reduction in risk
- It must be noted that these figures may not include all flu vaccinations offered in maternity units due to delays in data inputting and transfer of information
  - For London, 564k vaccinations have been administered by Community Pharmacy to date (Week 1, 2022) which represents 29% of the total vaccinations given; this represents a 72% increase from 2020/21 (235k more vaccines)

**Table 1**  
**Seasonal Influenza vaccination rates for England and London 2019-2022**

|                                | England |         |             | London  |         |             |
|--------------------------------|---------|---------|-------------|---------|---------|-------------|
|                                | 2019-20 | 2020-21 | 2021-22     | 2019-20 | 2020-21 | 2021-22     |
| <b>65 and over</b>             | 72.4    | 80.6    | <b>81.6</b> | 66.2    | 71.1    | <b>68.9</b> |
| <b>Under 65 (at-risk only)</b> | 44.9    | 51.7    | <b>51.6</b> | 41.8    | 44.0    | <b>40.6</b> |
| <b>Pregnant</b>                | 43.7    | 43.4    | <b>41.9</b> | 39.2    | 37.0    | <b>32.9</b> |
| <b>2-3 yrs.</b>                | 43.8    | 56.0    | <b>48.7</b> | 32.4    | 45.9    | <b>40.2</b> |

|                                 |      |      |             |      |      |             |
|---------------------------------|------|------|-------------|------|------|-------------|
| Reception (age 4-5)             | 64.2 | 63.5 | <b>38.8</b> | 55.5 | 54.5 | <b>48.3</b> |
| Year 1 (age 5-6 yrs.)           | 63.5 | 63.9 | <b>40.6</b> | 54.3 | 55.0 | <b>48.9</b> |
| Year 2 (age 6-7 yrs.)           | 62.6 | 63.2 | <b>40.5</b> | 52.7 | 53.6 | <b>48.9</b> |
| Year 3 (age 7-8 yrs.)           | 60.6 | 62.6 | <b>40.1</b> | 50.1 | 53.0 | <b>47.7</b> |
| Year 4 (age 8-9 yrs.)           | 59.6 | 61.2 | <b>39.5</b> | 48.9 | 51.2 | <b>47.2</b> |
| Year 5 (age 9-10 yrs.)          | 57.2 | 60.5 | <b>38.7</b> | 46.5 | 50.1 | <b>45.1</b> |
| Year 6 (age 10-11 yrs.)         | 55.1 | 58.5 | <b>38.5</b> | 44.2 | 47.7 | <b>43.6</b> |
| All year groups (age 4-11 yrs.) | 60.3 | 55.5 | <b>39.5</b> | 50.3 | 44.8 | <b>47.1</b> |

Source: UKHSA published data, up to end of December 2022

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Please note that the England figures in red represent national data to November 21; no later data was available for school-aged vaccinations.

With regards to trends in the data when comparing this season to the same time in the previous season, for the England average data it should be noted that:

- For those **aged 65 and over** uptake is the highest on record at over 81%
- For the **at-risk groups**, vaccine uptake is comparable to last season and is either higher or comparable to the previous eight seasons before that
- For **pregnant women** vaccine uptake is lower than the same period last season, and lower than the previous seven seasons before that
- For **2 and 3-year olds** uptake is over 7 percentage points lower compared to the same period last season

Figure 1 compares Westminster Borough with London and England averages and the rest of its geographical neighbours for uptake to date in 21/22.

| Org Name                                    | Summary of Flu Vaccine Uptake % |                         |                    |                  |                  |
|---------------------------------------------|---------------------------------|-------------------------|--------------------|------------------|------------------|
|                                             | 65 plus                         | Under 65 (at-risk only) | All Pregnant Women | All Aged 2 years | All Aged 3 years |
| NHS BRENT CCG                               | 63.7                            | 39.0                    | 21.6               | 34.4             | 35.1             |
| NHS EALING CCG                              | 69.9                            | 40.5                    | 30.5               | 46.8             | 45.4             |
| NHS HOUNSLOW CCG                            | 72.1                            | 41.7                    | 27.3               | 45.9             | 45.5             |
| NHS HAMMERSMITH AND FULHAM CCG              | 62.1                            | 31.1                    | 28.0               | 35.3             | 35.1             |
| NHS HARROW CCG                              | 72.8                            | 44.8                    | 20.2               | 31.9             | 36.8             |
| NHS HILLINGDON CCG                          | 74.4                            | 46.0                    | 28.5               | 41.6             | 43.7             |
| NHS WEST LONDON CCG                         | 63.4                            | 33.4                    | 29.8               | 33.7             | 33.8             |
| <b>NHS CENTRAL LONDON (WESTMINSTER) CCG</b> | <b>60.8</b>                     | <b>32.3</b>             | <b>29.9</b>        | <b>34.8</b>      | <b>34.6</b>      |
| <b>London</b>                               | <b>68.2</b>                     | <b>39</b>               | <b>28.6</b>        | <b>38.9</b>      | <b>40.2</b>      |
| England                                     | 81.6                            | 51.6                    | 41.9               | 48.7             | 48.7             |

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Figure 2 compares Westminster Borough with London and England averages and the rest of its geographical neighbours for uptake in 20/21.

| Org Name       | Summary of Flu Vaccine Uptake % |                         |                    |                  |                  |
|----------------|---------------------------------|-------------------------|--------------------|------------------|------------------|
|                | 65 and over (all Patients)      | Under 65 (at-risk only) | All Pregnant Women | All Aged 2 years | All Aged 3 years |
| NHS BRENT CCG  | 69.1                            | 47.1                    | 33.1               | 43.5             | 45.2             |
| NHS EALING CCG | 71.4                            | 46.8                    | 36.0               | 50.9             | 51.4             |

|                                             |             |             |             |             |             |
|---------------------------------------------|-------------|-------------|-------------|-------------|-------------|
| NHS HOUNSLOW CCG                            | 74.4        | 47.6        | 37.9        | 51.4        | 53.0        |
| NHS HAMMERSMITH AND FULHAM CCG              | 63.5        | 33.8        | 34.5        | 42.1        | 42.4        |
| NHS HARROW CCG                              | 76.0        | 49.0        | 30.9        | 40.9        | 46.9        |
| NHS HILLINGDON CCG                          | 76.7        | 51.3        | 40.1        | 50.0        | 51.6        |
| NHS WEST LONDON CCG                         | 65.0        | 41.8        | 40.3        | 40.2        | 41.4        |
| <b>NHS CENTRAL LONDON (WESTMINSTER) CCG</b> | <b>64.5</b> | <b>42.2</b> | <b>37.0</b> | <b>45.4</b> | <b>45.4</b> |
| <b>London</b>                               | <b>71.8</b> | <b>45</b>   | <b>36.7</b> | <b>45.8</b> | <b>47.4</b> |
| England                                     | 80.6        | 51.7        | 43.4        | 56.0        | 56.0        |

Figure 3 compares Westminster Borough with London and England averages and the rest of its geographical neighbours for uptake in 19/20.

| Org Name                       | Summary of Flu Vaccine Uptake % |                         |                    |                  |                  |
|--------------------------------|---------------------------------|-------------------------|--------------------|------------------|------------------|
|                                | 65 and over (all Patients)      | Under 65 (at-risk only) | All Pregnant Women | All Aged 2 years | All Aged 3 years |
| NHS BRENT CCG                  | 64.7                            | 44.0                    | 34.5               | 29.1             | 29.8             |
| NHS EALING CCG                 | 64.7                            | 40.8                    | 32.7               | 36.0             | 34.5             |
| NHS HOUNSLOW CCG               | 65.9                            | 42.4                    | 34.0               | 39.9             | 36.8             |
| NHS HAMMERSMITH AND FULHAM CCG | 58.3                            | 28.7                    | 29.6               | 30.0             | 30.0             |
| NHS HARROW CCG                 | 70.5                            | 44.2                    | 34.8               | 30.5             | 31.3             |

|                                      |             |             |             |             |             |
|--------------------------------------|-------------|-------------|-------------|-------------|-------------|
| NHS HILLINGDON CCG                   | 68.2        | 45.4        | 38.1        | 30.0        | 32.4        |
| NHS WEST LONDON CCG                  | 58.4        | 34.0        | 37.2        | 27.3        | 26.2        |
| NHS CENTRAL LONDON (WESTMINSTER) CCG | 61.8        | 37.3        | 35.2        | 27.3        | 27.9        |
| <b>London</b>                        | <b>66.2</b> | <b>41.8</b> | <b>39.2</b> | <b>32.2</b> | <b>32.6</b> |
| England                              | 72.4        | 44.9        | 43.7        | 43.8        | 43.8        |

Source: UKSHA, 2022

### What are we doing to increase uptake of seasonal influenza vaccine this year?

- There is evidence to suggest that practices who are well prepared and have uptake in their first couple of weeks continue to have good uptake throughout the season
- This means that the weekly checks by commissioners have little or no impact on improving flu uptake once the season has started. The focus therefore in learning from previous seasons has been on practices being prepared and undertaking advanced planning, particularly around identifying eligible cohorts, and estimating demand and supply, including considering extra staff capacity for opportunistic vaccinations
- ICS flu plans were developed at the start of the 2021/22 season, in line with the regional 'flu vaccination plan; these have been monitored throughout the 'flu season
- System colleagues have been keen to adopt learning from the Covid-19 vaccination programme and to look for opportunities to ensure ease of access and to reach those who might not readily come forward to access healthcare services
- There has been more detailed work undertaken on understanding where this is lower uptake by ethnicity and deprivation with a Health Inequalities group meeting weekly to review the position and discuss best practice and initiatives being taken forward by providers and by ICSs
- There is evidence to suggest that 'flu vaccinations are considered optional or preventative and are not seen as integral to an individual's care pathway or health maintenance. In light of this, we continue to change the narrative around 'flu vaccinations for the eligible cohorts and specifically for 'at risk' groups, including working with clinical networks and acute and primary care providers to embed primary care appointments (for checking co-morbidities and vaccination) into pathways. For example, all acute trusts across London are now commissioned to provide 'flu vaccination in clinics with clinical 'at risk' patients, and to provide vaccination advice. This is in keeping with NICE's recommendation of multicomponent interventions
- NHSE&I has been working with London ICSs to monitor uptake throughout the season, with key ICS Leads coming together at the London Flu Delivery Group on a weekly basis to discuss further initiatives and interventions



- The NHSE&I Communications Team has worked with local and national charities to spread the message, as well as utilising digital media to promote 'flu vaccination, sending tweets and Instagram messages throughout the 'flu season
- NHSE&I reviewed and improved the vaccination offer to London's statutory homeless and rough sleepers, and those within health inclusion groups, utilising pharmacy, general practices that care for the homeless population and commissioning voluntary organisations that provide outreach medical services to deliver vaccinations
- Training of staff is crucial to maintaining good vaccination uptake. UKSHA London and NHSE/I London continue to work together to ensure that vaccinators are updated on 'flu vaccination and that health care professionals are informed to address any vaccine hesitancy thereby reducing complacency and improving confidence and convenience
- Every year, we evaluate the impact of our annual London 'Flu Vaccination Plan. These evaluations are underway and include a 'flu wash up event. This event will be held on the 4<sup>th</sup> March 2022 and will focus on how to improve uptake across the eligible cohorts, looking at how we can apply learning from the COVID-19 vaccination programme. Colleagues from ICSs, LA, Trust, pharmacies, and GP Practices are invited to the event.

## 7.1 Conclusion

- Provision of vaccinations dropped in 2020/21. This is understandable given the changes general practice had to undergo and the government directive for people to stay at home. This shows the initial and sustained impact that COVID-19 has on the uptake of vaccinations. Uptake rates may change over the course of the next few months, particularly as a survey of all practices (to date, there is a 70% response rate) show that practices have adapted their services over the last month to deliver vaccinations as safely as possible. A number of public campaigns have been run to encourage parents to come forward for vaccinations.

## 8 Next Steps

- NHSE/I immunisation commissioning team (London) have also been working locally with the NWL ICS Flu Delivery Group, the local ICS leads, Public Health teams and local providers to focus and identify local barriers, improving access for vulnerable or underserved groups and improving public acceptability. One example of this is our London Flu Delivery Group which meets weekly throughout the flu season. Key agenda items are local communications, data analysis, current vaccination uptake, national updates, school engagement and sharing best practice.

- The Bi-Borough Public Health team has been successful in obtaining funds from NHSE&I totalling £114,626 to increase childhood immunisation uptake via a pilot project in 2022. The pilot project aims to exploring alternative solutions such as trialling alternative routes of childhood immunisation delivery. This series of pilot interventions aims to explore whether alternative methods of delivering childhood immunisations:

- are acceptable to families in Westminster and Kensington and Chelsea;
- can contribute to increasing the uptake of Childhood immunisations in Westminster and Kensington & Chelsea;

And

- To conduct a parent survey to understand the vaccination choices of parents in Westminster and Kensington & Chelsea.

The objectives are to:

- To explore the role of health visitors in supporting childhood immunisations and increasing uptake
- To explore the potential to increase uptake of immunisations by holding vaccination clinics in community locations
- To explore the potential to increase uptake and catch up of pre-school immunisations in primary school and nursery settings
- To explore the optimal approach to community engagement to support the delivery of childhood immunisations and maximise uptake

- In 2021, five ICS Immunisation Boards were set up across London and Westminster is covered by the NWL ICS Immunisation Board. This board comprises of ICS accountable officer for immunisation, NHSE/I immunisation commissioners and other partners. The board is working on the strategy and action plans to improve uptake and coverage and reduce health inequities in access across the SWL boroughs.
- Health London Partnership have produced a slide pack to support HCWs responding to vaccine hesitancy for COVID-19 vaccines. Many of the principles in this pack are helpful for hesitancy for other vaccines: [https://www.healthy london.org/our-work/personalised\\_care/social-prescribing/social-prescribing-link-workers/social-prescribing-resources/](https://www.healthy london.org/our-work/personalised_care/social-prescribing/social-prescribing-link-workers/social-prescribing-resources/)
- The commissioners for each ICS will work with ICS, primary care leads and local public health in that ICS to implement an action plan to improve performance in that area.

- In 2022, NHSE/I has implemented a network of immunisation coordinators across London to support GP practices with their delivery of Section 7a immunisation programmes. This includes helping health care professionals with patient invite and reminder systems, coding, accurate data collection and submission and helping them to increase vaccine acceptance amongst their registered populations.
- NHSE/I has commissioned UKHSA to deliver immunisation training remote to all vaccinators in London. Confident and competent staff are crucial to dealing with vaccine hesitancy and preventing vaccine incidents and having access to annual updates for immunisation training.
- Action plans will be supported by national and regional communications plan on encouraging parents to bring their infants forward for vaccination.
- The performance updates will be reviewed by the ICS Immunisation Quality and Performance Boards and the London Immunisation Turnaround Group (all subgroups of the London Immunisation Partnership Board). They will use them to inform recovery, maintenance, development planning for immunisation programmes.
- Updates on performance will be provided to the Public Health Restore, Recover and Maintenance Group, the PH Assurance Group and to the London Immunisation Partnership Board.

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City of Westminster

## Audit and Performance Committee

|                              |                                                                                      |
|------------------------------|--------------------------------------------------------------------------------------|
| <b>Date:</b>                 | 16th February 2022                                                                   |
| <b>Classification:</b>       | General Release                                                                      |
| <b>Title:</b>                | Council Staff Remuneration & Development                                             |
| <b>Wards Affected:</b>       | All                                                                                  |
| <b>City for All Summary:</b> | N/A                                                                                  |
| <b>Financial Summary:</b>    | N/A                                                                                  |
| <b>Report of:</b>            | Lee Witham, Director of People Services                                              |
| <b>Author:</b>               | Neale Hunter-Rowe<br>Head of HR Operational Services                                 |
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### 1. Executive Summary

The Council is required to publish its Pay Policy by 31<sup>st</sup> March every year.

The Pay Policy brings together all the Council's existing policies on pay and includes details in relation to all aspects of Chief Officer's remuneration, increases and additions to remuneration, bonuses, termination payments and remuneration on recruitment.

Although the Pay Policy was covered in the December meeting, further details were requested.

### 2. Background

The Committee has asked for additional information to give further context to the pay gap figures that have been released by the Council. The Committee have also sought reassurances that performance management, recruitment and career management procedures are in place.

### 3. Organisational Development and Pay Gaps

#### 3.1. HR Policy & Procedures

The organisation has good quality and robust people management procedures and policies in place. Whilst acknowledging that the report into the Marble Arch Mound

concluded that this was an isolated case of circumvention of the checks and balances that the Council has in place, People Services have used the learning and opportunity following the Mound to reaffirm the importance of using and complying with the Council's approach in these matters. Ensuring regular one-to-one meetings and seasonal conversations are taking place is a key plank of the Council's Performance Development Framework.

### **3.2. Ensuring WCC workforce is representative of Westminster as a City**

Planning is undertaken at directorate level to understand any impact of changes in legislation or service priorities. HR Business Partners work with senior teams to understand trends including turnover and recruitment and to plan for any foreseeable changes in numbers/type etc. of resources.

The workforce of Westminster is increasingly representative of the City as a whole. For example, the last information available shows WCC residents declaring as 60.2% White and 39.9% B.A.ME. Whereas 52.4% of WCC employees define themselves as White and 38.4% as B.A.ME (the remainder not declaring). The proportion of B.A.ME. staff in the Council has increased from 33% only 3 years ago. Work to ensure our workforce reflects our resident make up is ongoing and a constant focus.

In respect of gender, 47.3% of Westminster's resident population is female and 57.4% of Westminster City Council employees are female. This gender split is consistent with other local authorities with similar outsourced contracts (for example waste).

Career advancement is key to this happening; the most common approach is to advertise opportunities (new roles, vacancies, secondments) and interested applicants take part in an assessment process which starts with a formal expression of interest and concludes with an interview. Positive action, which ensures a diverse shortlist, is applicable to all band 4 and 5 roles and results of this are reported to the Executive Leadership Team each month. Staff on graduate or apprentice entry schemes coming to the end of their programme can apply for internal vacancies up to band 4 with a guarantee of an interview if they meet the job requirements. We don't have the systems in place to monitor individual career trajectories but do have a detailed recruitment guide, which strives to ensure equality of opportunity is evident.

In addition, how we understand and meet skills gaps happens in a number of ways which includes gathering business intelligence, scanning the external horizon and feedback from staff networks and champions groups. For example, in March 2020, we consulted with different parts of the organisation and identified a gap in existing and future needs in the fields of data analysis, project management, software engineering, digital marketing and data. We identified apprenticeships as an opportunity to fill this gap and were able to utilise the apprenticeship levy to fund the qualifications that employees would undertake. By taking a structured approach, with targets, a series of apprenticeship qualifications were made available to employees that would help them upskill, cross-skill and/or reskill and ultimately enhance their career prospects. Another example is in collaboration with the ABLE network we have offered Neuro Diversity Understood, Autism Awareness and Digital Accessibility training.



Management and leadership knowledge and/or skill gaps are improved either through our self-service access to e-learning courses on the career zone or set programmes such as Senior Leaders and Emerging Leaders programmes.

As part of our commitment to “Everyone has Talent”, WCC offers a range of support and tools to help employees take control of their careers. This broadly falls into a career zone, career and mentoring hub and our personal development framework.

- **Career Zone:** To support employees in their career development, WCC launched a career development platform called **Career Zone** in May 2019. This platform provides all the tools required for employees to develop and advance their careers. Our **Career Assessment tools** include the PULSE self-assessment tool that assesses employees against The Westminster Way and provides them with a report indicating strengths, areas for development, and a career development plan of activities to address the development areas identified. The Pulse Assessment is the most popular tool used on the platform to date and the data shows that the development area that comes up consistently for employees is around Career Planning. There are thousands of modules to support career advancement including an Interview skills simulator and how to create a 60 second pitch. Since its launch, 965 employees have visited the Career Zone with many returning to the site after their first visit. Alongside the Career Zone we provide career development workshops on CV writing, Personal Branding and Interview skills as well as running 60 minute connect and learn sessions on Planning your Careers.
- **Coaching and Mentoring Hubs** provide staff with access to personalised and confidential 121 support.
- **Personal Development Framework (PDF)** offers an opportunity for staff to have developmental conversations with their people leaders including their career aspirations. The four seasonal conversations offer an opportunity to have these career conversations and reflect on the progress made during the year. ‘Create your own Future (7 Steps to career progression)’ is the most recent addition to our PDF workshops and targeted at people who are looking to progress their career, either within the team or elsewhere in the organisation. These tools are available to all staff and form part of our monthly newsletters and promotion campaigns to optimise their usage. We know from usage figures the most popular topics accessed by employees which also provides useful insight to future provision.

### 3.3 Apprenticeship scheme

The apprenticeship levy was introduced in 2017 and to date WCC has created 333 apprenticeships, a total that meets our public sector apprenticeship target as set by the government. A yearly breakdown is provided in the table below and as of 30 November 2021, we had 188 staff on an apprenticeship programme.

| <b>Year</b>    | <b>Public Sector Target (2.3% of workforce as apprenticeships)</b> | <b>Number of Apprenticeships created</b> |
|----------------|--------------------------------------------------------------------|------------------------------------------|
| <b>2017/18</b> | 47                                                                 | 39                                       |
| <b>2018/19</b> | 60                                                                 | 43                                       |
| <b>2019/20</b> | 92                                                                 | 108                                      |
| <b>2020/21</b> | 92                                                                 | 143                                      |
| <b>Total</b>   | 291                                                                | 333                                      |
| <b>Average</b> | <b>73</b>                                                          | <b>83</b>                                |

Apprenticeships offer us a great opportunity to support staff development and fill skills gaps, they have also enabled staff to access a range of development opportunities and qualifications. We currently offer Project Management, Data Analyst, Emerging Leaders (leadership development) and Coaching apprenticeships as part of an annual cohort intake which is in addition to the directorate specific apprenticeships such as social work and housing options that are available throughout the year. The majority of apprenticeships have been for staff upskilling, but we have also focussed on promoting apprenticeships as one of our entry schemes to join Westminster.

As an entry scheme, our apprenticeship programmes focus on hiring Westminster residents and or people who are underrepresented in our workforce. Over 60% of our last new hire cohort (14 apprentices) were Westminster residents. Since the pandemic and due to its disproportionate impact on young people we have redoubled our efforts to support young people into apprenticeships (especially Westminster residents). Our most recent programme, Tech Lions programme, was targeted towards placing young people aged between 18-24 years into digital apprenticeships and by September 2021, 8 young people were placed in digital roles across the organisation. We are also committed to hire 30 Kickstarters in the same age group (as part of the government funded scheme) earlier this year with a view that they would be offered apprenticeship roles following their 6 month placement and are committed to supporting this group to find longer term opportunities within the Council.

Our first rotational apprentice cohort (of 14 apprentices) that started in January 2020 are due to finish this month. Though most of them have found opportunities we are still supporting some apprentices and will be able to report on the apprentice retention rate in the next quarter.

### **3.4 B.A.ME pay gap calculations**

Under the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017, mandatory gender pay reporting is required of all employers with over 250 employees from March 2018. The gender pay gap is a measure of the difference between men's and women's average earnings across the organisation. It is expressed as a % of men's earnings.

The gender pay gap data for Westminster City Council as at 31<sup>st</sup> March 2021 shows a mean gender pay gap of 10.1% and a median gender pay gap of 11.8%. The Council also publishes detail of its ethnicity pay gaps, showing the difference between Black, Asian and Multiple Ethnic (BAME) and White employees pay as a percentage of White employees' pay. For 2021 there is a mean BAME pay gap of 12.9% and a median BAME pay gap of 11.8%. The detail of this is shown in appendix 1.

There was a request at the last committee to provide more detail on how the pay gap is calculated and to provide some more detail.

The ethnicity pay gap is calculated using two different measures, the mean and the median. It is the difference between B.A.ME employees and White employees pay as a percentage of White employees pay. There is a statutory requirement to report on the mean and median for the gender pay gap and we have used the same exact methods to calculate the gender pay gap and the ethnicity pay gap.

The median value is particularly useful when looking at a large dataset which has extreme values, however when used along with the mean (percentages and hourly rates) they both give us an indication about the skew of the data while keeping the data in a straightforward format.

There is no significant difference in the functions/teams that B.A.ME staff are in when compared to White staff. There is some overrepresentation in Housing, Family Services and Economy which are three of the lower paying services within the Council. City Highways, Place Shaping and Town Planning, and Community Services have an overrepresentation of White Staff. Two of these are also lower paying services within the Council.

The gap does not apply equally to all groups covered within the B.A.ME characteristic as shown in the tables below.

## Ethnicity Mean Pay Gap by Ethnic Origin

| Ethnic Origin     | No. of staff | Pay Gap 2020 (%) | Pay Gap 2021 (%) | Difference |
|-------------------|--------------|------------------|------------------|------------|
| Arab              | 20           | 31.3%            | 34.1%            | +2.8%      |
| Bangladeshi       | 75           | 20.2%            | 18.9%            | -1.3%      |
| Black African     | 224          | 21.4%            | 16.5%            | -4.9%      |
| Black Caribbean   | 204          | 14.8%            | 12.8%            | -2.0%      |
| Chinese           | 23           | 16.7%            | 15.3%            | -1.4%      |
| Indian            | 121          | 8.0%             | 1.6%             | -6.4%      |
| Mixed Asian       | 19           | 13.2%            | 1.2%             | -12.0%     |
| Mixed Caribbean   | 41           | 20.0%            | 15.0%            | -5.0%      |
| Mixed Other       | 48           | 27.8%            | 13.4%            | -14.4%     |
| No data provided  | 35           | 7.4%             | 13.1%            | +5.7%      |
| Other Asian       | 53           | 16.8%            | 14.3%            | -2.5%      |
| Other Black       | 59           | 19.9%            | 20.3%            | +0.4%      |
| Other Ethnicity   | 41           | 9.0%             | 7.7%             | -1.3%      |
| Pakistani         | 111          | 10.1%            | 1.8%             | -8.3%      |
| Prefer not to say | 138          | 17.9%            | 24.0%            | +6.1%      |
| White (all)       | 1434         | n/a              | n/a              | n/a        |

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## Ethnicity Median Pay Gap by Ethnic Origin

| Ethnic Origin     | No. of staff | 2020 Pay Gap (%) | 2021 Pay Gap (%) | Difference |
|-------------------|--------------|------------------|------------------|------------|
| Arab              | 20           | 23.6%            | 30.8%            | +7.2%      |
| Bangladeshi       | 75           | 20.5%            | 20.4%            | -0.1%      |
| Black African     | 224          | 17.6%            | 15.5%            | -2.1%      |
| Black Caribbean   | 204          | 14.1%            | 11.8%            | -2.3%      |
| Chinese           | 23           | 19.0%            | 9.3%             | -9.7%      |
| Indian            | 121          | 6.8%             | -0.4%            | -7.2%      |
| Mixed Asian       | 19           | 6.8%             | 0.0%             | -6.8%      |
| Mixed Caribbean   | 41           | 17.6%            | 18.5%            | +0.9%      |
| Mixed Other       | 48           | 19.1%            | 9.3%             | -9.8%      |
| No data provided  | 35           | 9.9%             | 11.8%            | +1.9%      |
| Other Asian       | 53           | 11.8%            | 17.6%            | +5.8%      |
| Other Black       | 59           | 17.0%            | 16.5%            | -0.5%      |
| Other Ethnicity   | 41           | 13.6%            | 17.6%            | +4.0%      |
| Pakistani         | 111          | 6.8%             | 6.8%             | 0%         |
| Prefer not to say | 138          | 23.4%            | 27.6%            | +4.2%      |
| White (all)       | 1434         | n/a              | n/a              | n/a        |

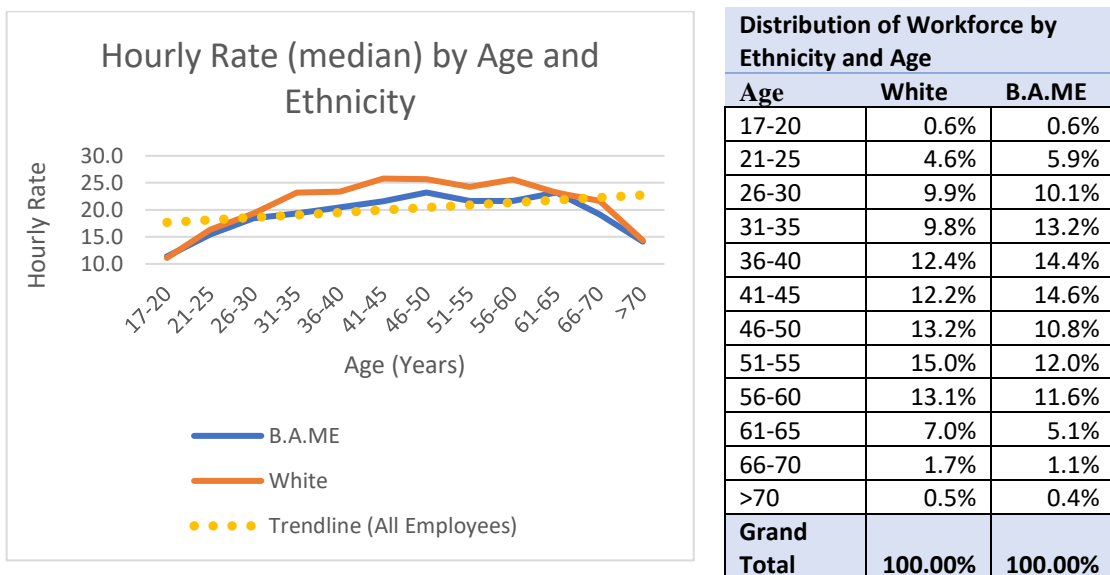
11

We are continuing to embed the actions taken in 2020/1 and have set new transformational actions for 2021/22 which includes:

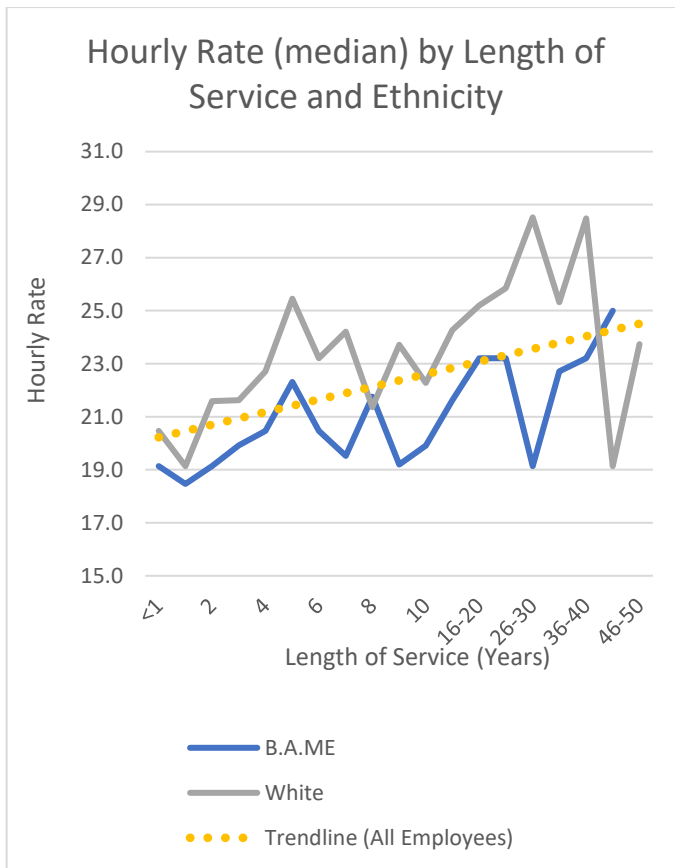
- Appointment of Vercida as our Diversity & Inclusion strategic partner to help us deliver our ambitious 3-year action plan which includes actions to reduce our pay gaps.
- Monthly reporting and scrutiny on our Positive Action which includes recruitment of all Band 4+ posts.
- Newly formed Pay Gap Taskforce made up of staff across the organisation who have been selected based on their capability and commitment in driving forward this agenda to make a meaningful step change.

- Working with each Director, the taskforce is focusing on areas of the business with a median Pay Gap above 10%, with teams of more than 20 staff and will identify actions to reduce the pay gap.
- Working with each directorate to ensure the moderation of starting salaries for teams with pay gaps above 10%
- Beginning the process to review the Pay & Reward Policy to ensure equity and enable long term pay gap reduction.
- Holding Senior leaders to account and sharing best practice through regular conversations with the Chief Executive.
- Exploring a new senior talent programme linked to secondment opportunities to increase career progression and opportunity for all.

B.A.ME staff tend to be younger than White staff at the Council. There is a positive correlation between age and pay (shown by dotted line in graph below). This is one of the reasons for the pay gap even though when comparing the same age groups, there is still a gap between B.A.ME and White staff, particularly between the ages of 30 and 60.



White staff tend to have longer length of service than B.A.ME staff. There is a positive correlation between age and pay (shown by dotted line in graph below). Even though White staff do still tend to earn more than B.A.ME staff when length of service is considered, length of service is one of the reasons for the pay gap.



| Distribution of Workforce by Ethnicity and Length of Service |                |                |
|--------------------------------------------------------------|----------------|----------------|
| Length of Service                                            | White          | B.A.ME         |
| <1                                                           | 11.6%          | 16.9%          |
| 1                                                            | 8.2%           | 12.0%          |
| 2                                                            | 10.7%          | 9.2%           |
| 3                                                            | 5.5%           | 6.6%           |
| 4                                                            | 5.4%           | 4.6%           |
| 5                                                            | 4.2%           | 3.4%           |
| 6                                                            | 3.2%           | 2.6%           |
| 7                                                            | 1.8%           | 1.6%           |
| 8                                                            | 1.4%           | 1.6%           |
| 9                                                            | 1.7%           | 1.4%           |
| 10                                                           | 8.9%           | 12.4%          |
| 11-15                                                        | 13.6%          | 11.1%          |
| 16-20                                                        | 10.9%          | 9.6%           |
| 21-25                                                        | 4.5%           | 3.7%           |
| 26-30                                                        | 3.5%           | 1.1%           |
| 31-35                                                        | 3.4%           | 1.4%           |
| 36-40                                                        | 0.8%           | 0.5%           |
| 41-45                                                        | 0.3%           | 0.1%           |
| 46-50                                                        | 0.1%           | 0.0%           |
| <b>Grand Total</b>                                           | <b>100.00%</b> | <b>100.00%</b> |

The higher proportion of B.A.ME staff that are younger and have shorter length of service do account for some of the pay gaps, however as the graphs above show, there are still pay gaps even after these factors are considered. B.A.ME staff tend to be in lower grades than White staff and tend to join on lower pay. The gap is closing though and the continued increase in the proportion of our B.A.ME senior leaders means that we are hopeful that this gap will reduce in the near future.

### 3.5 Disability Pay Gaps 2021

11.8% of all staff have declared a disability.

Mean pay gap 4.2% (4.2% in 2020)

Median pay gap 3.0% (0.3% in 2020)

### 4. Fixed Term, Permanent and TACs (Temporary, Agency and Contractors)

Please find below the proportions of staff that are classed as fixed term, permanent and temporary, agency and contractors.



| Employment Type                   | Staff Numbers | Proportion of Workforce |
|-----------------------------------|---------------|-------------------------|
| Fixed Term                        | 436           | 15%                     |
| Permanent                         | 2209          | 77%                     |
| Temporary, Agency and Contractors | 231           | 8%                      |
| <b>Total</b>                      | <b>2876</b>   | <b>100%</b>             |

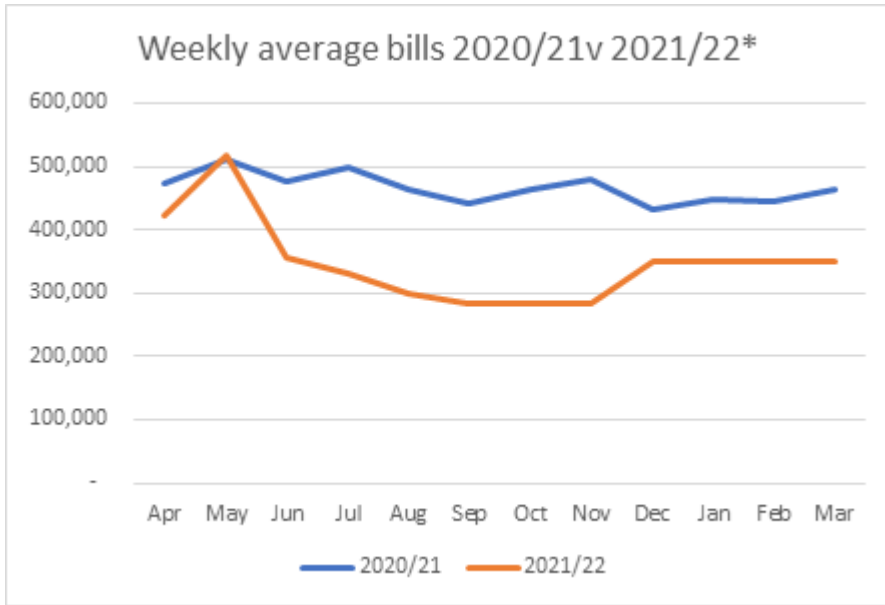
The day rates for individual contractors' range as detailed below.

| Day Rate (£'s) | Count      |
|----------------|------------|
| 0-100          | 23         |
| 100-200        | 96         |
| 200-300        | 57         |
| 300-400        | 17         |
| 400-500        | 17         |
| 500-600        | 11         |
| 600-700        | 3          |
| 700-800        | 1          |
| 800-900        | 2          |
| 900-1000       | 2          |
| 1000-1100      | 0          |
| 1100-1200      | 0          |
| 1200-1300      | 2          |
| <b>Total</b>   | <b>231</b> |

Many of the higher earning TACs (above £600) are in F&R however there is one in Adult Social Care and one in Innovation & Change as well. The Adult Social Care TAC is funded through Public Health, is Bi Borough and is carrying out vaccine related work.

The F&R and I&C TACs are working in various programmes. One has a key role in Digital and Innovation Transformation. Two are working on the Corporate Property Capital Programme and are helping to deliver savings for the Council. The others are working in IT roles in order to develop the Councils IT systems, improve workplace technology and work towards disaggregation.

It's important to note though that the overall cost of TACs has drastically gone down. The below chart shows weekly average bills compared to last year (*\* the graph includes forecasting for the last 4 months of 21/22*) and they are generally around a third lower than they were this time last year.



# Gender and Ethnicity Pay Gaps 2021

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## Gender Pay Gap

the difference between women's pay and men's pay as a percentage of men's pay

Mean Hourly rate 10.1% (increased by 1%)

Median Hourly rate 11.8% (increased by 1%)

|        | <b>Gender pay gap</b><br>women's pay as a % of men's pay | Women hourly rate | Men hourly rate | Difference (£) |
|--------|----------------------------------------------------------|-------------------|-----------------|----------------|
| Mean   | 89.9%                                                    | £22.24            | £24.75          | £2.51          |
| Median | 88.2%                                                    | £20.46            | £23.21          | £2.75          |

## Ethnicity Pay Gap

the difference between Ethnicity and white employees pay as a percentage of white employees' pay

Mean Hourly rate 12.9% (reduced by 4%)

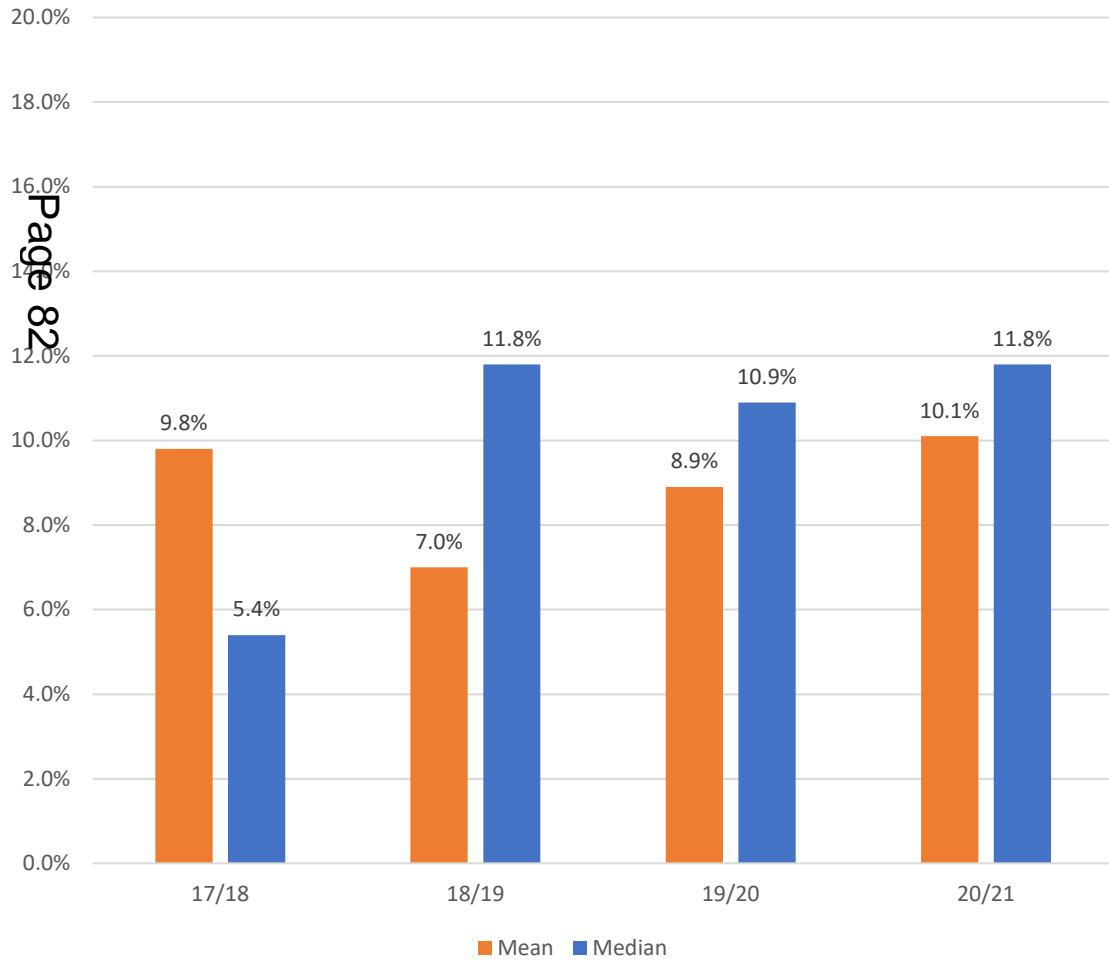
Median Hourly rate 11.8% (reduced by 5%)

|        | <b>Ethnicity pay gap</b><br>Ethnicity pay as a % of white employees' pay | Ethnicity employees hourly rate | White employees hourly rate | Difference (£) |
|--------|--------------------------------------------------------------------------|---------------------------------|-----------------------------|----------------|
| Mean   | 87.1%                                                                    | £21.73                          | £24.95                      | £3.22          |
| Median | 88.2%                                                                    | £20.46                          | £23.21                      | £2.75          |

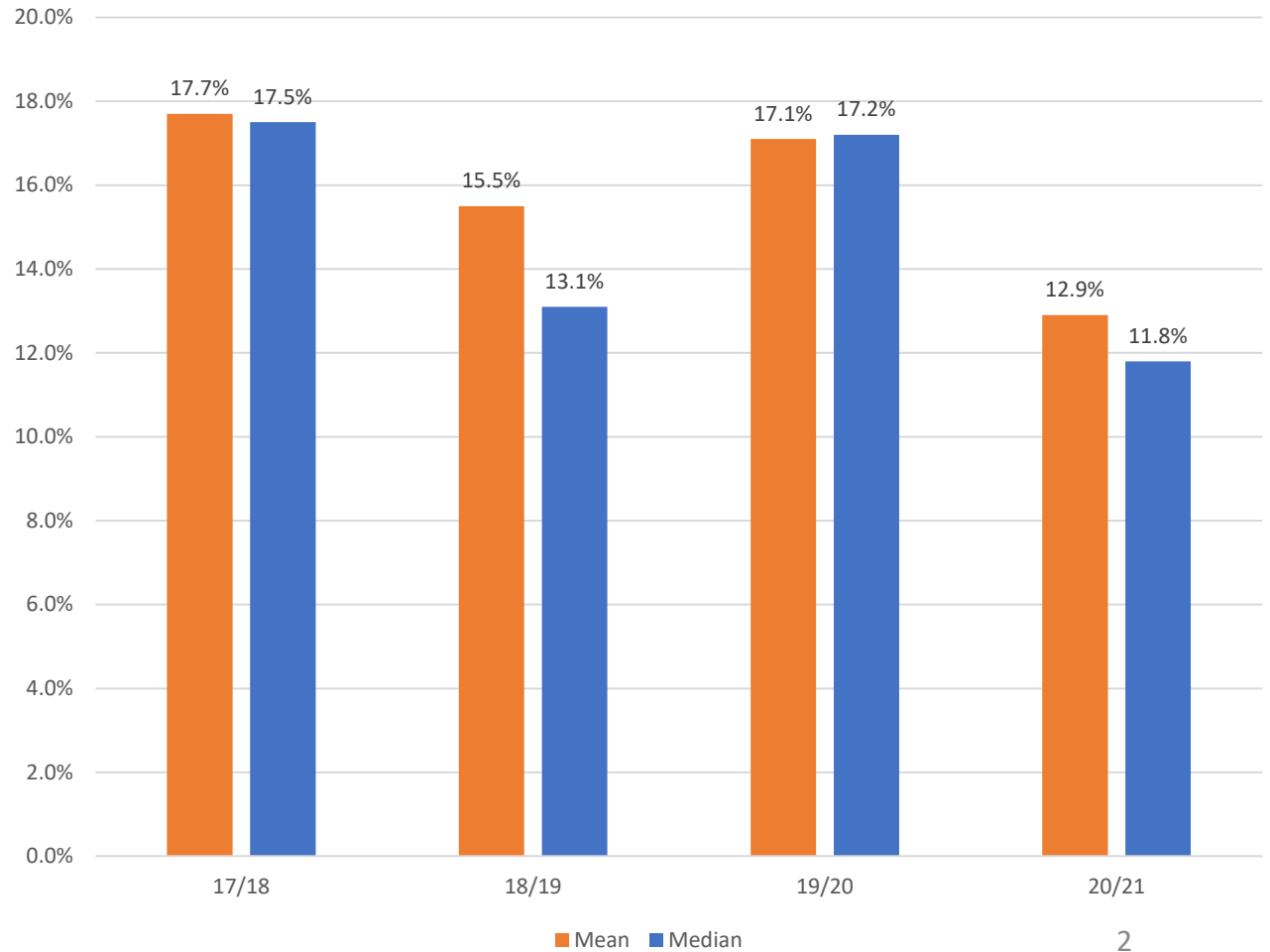


# Pay Gaps – YoY Movement

### Gender Pay Gap



### Ethnicity Pay Gap





## Audit and Performance Committee Report

|                             |                                                                                                                                                         |
|-----------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Date:</b>                | 16 February 2022                                                                                                                                        |
| <b>Classification:</b>      | General Release                                                                                                                                         |
| <b>Title:</b>               | Internal Audit Progress Report (December 2021 to January 2022)                                                                                          |
| <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<br>Contact Details: <a href="mailto:Moira.Mackie@rbkc.gov.uk">Moira.Mackie@rbkc.gov.uk</a> .<br>Tel: 07800 513 192 |

### 1. Executive Summary

- 1.1 This report summarises the work of Internal Audit in the period December 2021 to January 2022. Seven audits have been finalised with a further four issued as draft reports. Although no overall opinion is given at this time on the adequacy and effectiveness of the Council's governance, risk management and controls, the Committee can be assured that sufficient internal audit work is planned to ensure an appropriate assurance opinion can be provided by the end of the financial year.
- 1.2 **Appendix 1** shows the finalised audits as at the end of January 2022 and the status of the remaining planned audits.

### 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 Committee are provided with updates at each meeting on progress against the Annual Audit Plan and on any limited or no assurance audits issued in the period.
- 4.2 The Audit Plan for 2021/22 was reviewed by the Committee in March 2021. 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 is reviewed and updated following discussions with Directors, taking into account changing risks and priorities. The revised Plan is reported to the Committee on a quarterly basis and any significant changes in the coverage of the Plan will be highlighted.

#### Internal Audit Outcomes (December 2021 to January 2022)

- 4.3 Since the last report to the Committee seven audits have been completed:

| Audit                                      | Assurance    | RAG   |
|--------------------------------------------|--------------|-------|
| CHS – Direct Payments & Payments Team      | Limited      | Amber |
| Hallfield Primary School*                  | Substantial  | Green |
| Hampden Gurney Primary School*             | Substantial  | Green |
| St Gabriel's Primary School*               | Substantial  | Green |
| F&R – Treasury Management*                 | Substantial  | Green |
| GPH - Lessee Charges (cfwd 2020/21)*       | Satisfactory | Green |
| ECM – Sayers Croft Outdoor Learning Centre | Limited      | Amber |

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

In addition, one advisory report has been issued in respect of the Council's IT Asset and Access Management processes.

- 4.4 Four audits have been issued as draft reports and are due to be finalised shortly.



## Children's Services – Direct Payments & Payments Team (Amber)

- 4.5 A Direct Payment (DP) is a sum offered to families by the Council to purchase their own support package in lieu of services which would otherwise be commissioned by the Council on behalf of the children. The benefit of offering this service is it gives increased independence, greater choice, and control as to how and when support is provided. The Council has a duty to provide DP under the Short Breaks Regulations 2011. The Disabled Children's Service offers short breaks, respite care and access to play for families caring for a disabled child and disabled children living in the borough. Access to services can happen without a social work assessment, known as a 'Core Offer', however for families who need a higher level of support, a short break provision is determined following a social work assessment, where DP is offered. DP can be offered for Carers when the family employ a person to work with their child at a rate of £13 per hour or DP funding can be used for activities, which is capped at 4 hours at the rate of £10 per hour. The Short Breaks Service came into its present format in April 2019. As part of the Disabled Children's Service reorganisation, the Direct Payment Service was moved into the Short Breaks team and the shared service is hosted by the Royal Borough of Kensington & Chelsea (RBKC).
- 4.6 During Covid-19 the service relaxed the rules regarding what DP could be spent on with guidance provided and prior agreement from the family's allocated worker. These relaxed rules have now stopped and families have returned to their agreed care package moving forward. The number of children in receipt of DP from the Council at the time of the audit was 136.
- 4.7 The audit confirmed that a number of good practices were in place including:
- regular monitoring to verify the client's continuing ability to manage the process and to identify any unspent funds and tracking of overspends.
  - The service has regular monitoring meetings in place where they discuss high risk cases and how the team can support families.
- 4.8 One high, five medium and one low priority recommendations were made to address the following weaknesses:
- Delays in undertaking reviews, with packages continuing without the relevant paperwork or sign-off from management
  - The short breaks service has a vision in place however it lacked detail and measurable targets for achieving their vision.
  - Formal procedures and process maps have not been developed detailing the workflow of provision including the role and expectation of the Direct Payments officer.
  - Documentation was not consistently recorded / uploaded to the case management system.
  - Further work is needed to fully align the services provided to the two Councils.

An action plan has been agreed to implement the recommendations and this will be followed up in March/April 2022.

## **Environment & City Management – Sayers Croft Outdoor Learning Centre (Amber)**

- 4.9 Sayers Croft is an outdoor learning centre located in Surrey, owned by the Council. The Centre hosts 12,000 visitors annually, from a variety of sources. Thirty-three of the thirty-nine Westminster state primary schools visit the centre and activities and facilities provided are aimed at children from 8-11 years of age. The Centre has access to 56 acres of woodlands, meadows, ponds and fields, as well as professional instructors and provides self-contained accommodation for up to 200 guests on site.
- 4.10 The Sayers Croft Environmental Educational Trust operates as a separate entity alongside the Centre. It is a charitable trust providing outdoor activities for local schools and groups with special needs and acts a local community centre organising fundraising activities and community-based events. The Trust own a building within the Centre which is used as their administrative centre and for meetings / activities and host between 8,000 to 10,000 visitors per annum. In addition, they own land around the Centre including woodland and fields used for recreational activities and another site close to the village.
- 4.11 The audit identified the following areas of good practice:
- A mission statement is in place and periodic meetings held with the Director of Environment on the operation, management, and performance of the Centre.
  - A recent review of fees was undertaken, which was approved by the Cabinet Member in October 2020. The new banded fee structure came into effect in September 2021 which reflected peak, mid-peak and off-peak periods in order to achieve better cost recovery for activities.
  - A proactive approach has been taken in delivering activities for schools during the pandemic. Whilst residential visits dropped significantly during this period, the Centre focused on increasing day visits including taking bookings at short notice and from a wider range of organisations. This ensured resources were being utilised effectively and sufficient income was generated during this difficult period
  - Purchase orders were being raised correctly and discussions have been held with the Commercial Team on procurement guidance when choosing local suppliers given it is not always possible to get the requisite number of quotes due to the rural location of the Centre.
  - Petty cash expenditure was appropriate, authorised and evidence provided to support claims.
  - A range of health and safety checks and inspections are undertaken for the Centre. All activities have a detailed risk assessment form which can be viewed by each school / organisation on the Centre's website. An online inventory portal is used to record all activity equipment and the date when it was last inspected. Inspection records were available and up to date.
  - Employee records were maintained and up to date on the Council's HR system.
- 4.12 From the audit it was clear that, due to a vacancy, some of the routine administrative functions had been undertaken by someone not familiar with the role although the Head of the Outdoor Centre provided as much information as possible and was working to recruit to the vacancy. It was also noted that the Covid-19 pandemic had impacted on normal routines.

4.13 Two high and five medium priority recommendations were made to address the weaknesses in the following areas:

- An absence of clarity in the relationship between the Centre and Sayers Croft Educational Trust. The roles, responsibilities, operational arrangements, legal, financial, and contractual obligations between the two parties are not clearly set out within any document.
- Income had not been banked promptly.
- The booking system does not enable a full audit trail to be maintained of residential and day bookings with supporting information.
- Tuck shop sales income is not monitored against depletion of stock levels.
- Expected against actual income is not reviewed on a proactive basis.
- A formal Council invoice was not raised for fees and charges due from the Trust.
- Appropriate tenancy agreements should be in place for all employees provided with on-site accommodation.

Actions to address the weaknesses identified have been agreed and a follow up will be undertaken in late March / early April 2022.

#### Follow up

4.14 Three follow-up reviews were undertaken in the period which confirmed that 62% of recommendations made had been fully implemented, with the implementation of the remaining recommendations in progress:

| <b>Audit</b>                      | <b>Recs Made</b> | <b>Recs Implemented</b> | <b>Recs in Progress</b> | <b>Recs not yet actioned</b> |
|-----------------------------------|------------------|-------------------------|-------------------------|------------------------------|
| Procurement & Pre-paid Cards      | 6                | 6                       | 0                       | 0                            |
| Integration of Housing Complaints | 2                | 0                       | 2                       | 0                            |
| Trading Standards                 | 5                | 2                       | 3                       | 0                            |
| Totals                            | 13               | 8<br>(62%)              | 5<br>(38%)              | 0                            |
| Total High Priority               | 2                | 0                       | 2                       |                              |
| Total Medium Priority             | 7                | 4                       | 3                       |                              |
| Total Low Priority                | 4                | 4                       | 0                       |                              |
| Totals                            | 13               | 8                       | 5                       |                              |

4.15 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

David Hughes on 07817 507 695 Email: [David.Hughes@rbkc.gov.uk](mailto:David.Hughes@rbkc.gov.uk)

**BACKGROUND PAPERS:**

**Internal Audit Reports**

## Internal Audit Status Report as at end January 2022

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 |
|---------------------|-----------------------------------------|----------|-----------------------|--------------------------|--------------------------|-------------------------|-----------------------|
| Finance & Resources | NNDR                                    | Jul-2021 | <b>Substantial</b>    | 0                        | 0                        | 1                       | Sept-2021             |
|                     | Income Compensation Claim               | Jul-2021 | Advisory              | 0                        | 0                        | 0                       | Dec-2021              |
|                     | Investment Property Management          | Nov-2021 | Advisory              | 2                        | 6                        | 1                       | Dec-2021              |
| Children's Services | Direct Payments & Payments Team         | Nov-2021 | Limited               | 1                        | 5                        | 1                       | Feb-2022              |
| Schools<br>Page 89  | St Peter's Primary (Eaton Sq) (2020/21) | Aug-2021 | Satisfactory          | 0                        | 5                        | 2                       | Sep-2021              |
|                     | Robinsfield Primary (2020/21)           | Jul-2021 | Satisfactory          | 0                        | 2                        | 0                       | Sep-2021              |
|                     | Christchurch Bentinck Primary           | Sep-2021 | <b>Substantial</b>    | 0                        | 0                        | 5                       | Dec-2021              |
|                     | St Luke's Primary                       | Sep-2021 | Satisfactory          | 0                        | 3                        | 2                       | Dec-2021              |
|                     | Hallfield Primary                       | Nov-2021 | <b>Substantial</b>    | 0                        | 0                        | 0                       | Feb-2022              |
|                     | Hampden Gurney Primary                  | Nov-2021 | <b>Substantial</b>    | 0                        | 0                        | 2                       | Feb-2022              |
|                     | St Gabriel's Primary                    | Dec-2021 | <b>Substantial</b>    | 0                        | 2                        | 1                       | Feb-2022              |
| Finance & Resources | Treasury Management (2020/21)           | Nov-2021 | <b>Substantial</b>    | 0                        | 0                        | 1                       | Feb-2022              |
|                     | IT: Asset & Access Management           | Dec-2021 | Advisory              | 0                        | 5                        | 2                       | Feb-2022              |

## Internal Audit Status Report as at end January 2022

| 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 |
|------------------------------------------|---------------------------------------|----------|-----------------------|--------------------------|--------------------------|-------------------------|-----------------------|
| <b>Growth, Planning &amp; Housing</b>    | Leaseholder Service Charges (2020/21) | Jan-2022 | Satisfactory          | 0                        | 1                        | 1                       | Feb-2022              |
| <b>Environment &amp; City Management</b> | Trading Standards (2020/21)           | May-2021 | Satisfactory          | 1                        | 4                        | 0                       | Sep-2021              |
|                                          | Food Safety (2020/21)                 | Jun-2021 | Limited               | 1                        | 5                        | 0                       | Sep-2021              |
|                                          | Sayers Croft Outdoor Learning Centre  | Dec-2021 | Limited               | 2                        | 5                        | 1                       | Feb-2022              |



## Internal Audit Status Report as at end January 2022

**Status of Planned Audits:**

| Plan Area                                | Draft Report Issued                                                                                              | In Progress                                                                                                                                                           | 2021/22 Not Yet Due                                                                                                                                             | Removed from Plan                                                                             |
|------------------------------------------|------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|
| <b>Cross-cutting</b>                     | <ul style="list-style-type: none"> <li>• S113 Agreements Governance (Advisory) (Nov-21)</li> </ul>               |                                                                                                                                                                       | <ul style="list-style-type: none"> <li>• Business Continuity – Compliance</li> <li>• Scheme of Delegated Authority</li> </ul>                                   |                                                                                               |
| <b>Adult Social Care</b>                 |                                                                                                                  |                                                                                                                                                                       | <ul style="list-style-type: none"> <li>• Debt Management</li> </ul>                                                                                             |                                                                                               |
| <b>Children's Services</b>               | <ul style="list-style-type: none"> <li>• Placements – Operational &amp; Financial Systems Integration</li> </ul> | <ul style="list-style-type: none"> <li>• Supporting People Claims (on-going)</li> </ul>                                                                               |                                                                                                                                                                 |                                                                                               |
| <b>Schools</b>                           | <ul style="list-style-type: none"> <li>• St Vincent's RC Primary</li> <li>• St Edward's RC Primary</li> </ul>    | <ul style="list-style-type: none"> <li>• Essendine Primary</li> <li>• Schools Thematic Work (VAT)</li> </ul>                                                          | <ul style="list-style-type: none"> <li>• All Souls Primary</li> <li>• Burdett Coutts Primary</li> <li>• St Augustine's Federated Schools – Secondary</li> </ul> |                                                                                               |
| <b>Finance &amp; Resources</b>           |                                                                                                                  | <ul style="list-style-type: none"> <li>• Key Financial Controls (on-going)</li> <li>• Council Tax</li> <li>• Housing Benefit</li> <li>• FM Code (advisory)</li> </ul> | <ul style="list-style-type: none"> <li>• IT Audits TBC</li> </ul>                                                                                               | <ul style="list-style-type: none"> <li>• IT – Programmes &amp; Projects Governance</li> </ul> |
| <b>People Services</b>                   |                                                                                                                  | <ul style="list-style-type: none"> <li>• Payroll Compliance Testing (on-going)</li> <li>• Pensions Admin (on-going)</li> </ul>                                        | <ul style="list-style-type: none"> <li>• Apprenticeship Levy Spend</li> </ul>                                                                                   |                                                                                               |
| <b>Growth, Planning &amp; Housing</b>    |                                                                                                                  | <ul style="list-style-type: none"> <li>• Housing H&amp;S - Lifts Maintenance</li> <li>• Housing H&amp;S - Electrical Safety</li> </ul>                                |                                                                                                                                                                 | <ul style="list-style-type: none"> <li>• Social Value in Procurement</li> </ul>               |
| <b>Environment &amp; City Management</b> |                                                                                                                  | <ul style="list-style-type: none"> <li>• Contract Management</li> <li>• Contract Extensions</li> </ul>                                                                |                                                                                                                                                                 |                                                                                               |
| <b>Innovation &amp; Change</b>           |                                                                                                                  | <ul style="list-style-type: none"> <li>• Performance Reporting</li> </ul>                                                                                             | <ul style="list-style-type: none"> <li>• Risk Management</li> </ul>                                                                                             |                                                                                               |

## **Additional Information on Assurance Audits**

**(main report paragraph 4.3)**

### **Schools (Substantial)**

Audits of the Council's schools are carried out using an established probity audit programme, usually on a five-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 where required. 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:

- Hallfield Primary
- Hampden Gurney Primary
- St Gabriel's Primary

Substantial assurance was provided to all three schools.

### **Finance & Resources – Treasury Management (Substantial)**

Treasury management is defined by CIPFA as 'the management of the organisation's borrowing, investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.

The Treasury and Pensions Team has operated as a shared single delivery service since 2012 and provides the treasury management and pension functions for the London Borough of Hammersmith and Fulham, Royal Borough of Kensington and Chelsea and Westminster City Council.

Each Council has its own treasury management and investment strategies and the Treasury and Pensions Team undertakes day to day treasury investment and borrowing activity in accordance with each councils' strategies, policies, practices and procedures.

The audit confirmed that the Council has in place formal and comprehensive objectives, policies and practices, strategies and reporting arrangements for the management and control of its treasury management activities in line with the CIPFA Treasury Management Code of Practice (TM Code). Sample testing confirmed that established controls were operating effectively and one low priority recommendation made.

## **Additional Information on Assurance Audits**

**(main report paragraph 4.3)**

### **Growth, Planning and Housing – Leaseholder Service Charges (Satisfactory)**

Service charges are levied to recover the costs incurred in providing services to a building or estate and are set out in each property lease. There are two types of charges made by the Council to leaseholders: the annual service charge, which covers services delivered by the Council to a building or estate; and major works service charges, which are in respect of works valued at over £250.

The service charge estimated invoices for the year ahead are sent at the end of March each year. The actual charges (where the actual costs incurred are adjusted after being calculated) are sent in September after the end of the financial year. A detailed breakdown of how the charges have been allocated is included with the invoices. The terms of the lease state that the leaseholder must pay the service charges in advance and the Council provides an annual estimate to pay on a monthly basis or in two half-yearly payments in April and October.

If the estimated major works service charges are more than £200 the leaseholder can choose to pay in instalments. There are a number of instalment options, depending on how much the invoice amount is (£200 –£2000, £2000+ and £5000+)

The audit review noted a number of areas of good practice with one medium and one low priority recommendations made

The medium priority recommendation was in respect of improving the information provided to leaseholders when charges are likely to exceed estimates. The service is proposing to introduce updates for residents when the estimated service charge is close to being breached so that they are fully informed prior to the actual costs being confirmed in September each year.

A follow up review will be undertaken to confirm the implementation of the agreed actions.

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City of Westminster

## Audit and Performance Committee Report

|                             |                                                                                                                                                         |
|-----------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Date:</b>                | 16 February 2022                                                                                                                                        |
| <b>Classification:</b>      | General Release                                                                                                                                         |
| <b>Title:</b>               | Internal Audit Plan 2022/23                                                                                                                             |
| <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<br>Contact Details: <a href="mailto:Moira.Mackie@rbkc.gov.uk">Moira.Mackie@rbkc.gov.uk</a> .<br>Tel: 07800 513 192 |

### 1. Executive Summary

- 1.1 The Strategic Audit Plan identifies 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 Annual Audit Plan (the Plan) is prepared following consultation with Directors and Heads of Service and takes into account the Council's corporate and departmental risks and priorities.
- 1.3 To ensure that the 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 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 have implemented 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 have been 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 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 The '3 plus 9' approach to the Plan has been operating during 2021/22 and requires ongoing engagement with Departments throughout the year to identify and scope audits and more frequent discussions regarding emerging and changing risks and priorities. The quarterly meetings with the Council's Senior Management Teams have been successful and Management are supportive of the changes to the way we have delivered our work and this will continue into the new financial year.

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

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

### **BACKGROUND PAPERS:**

*Internal Audit Planning Files*

*Risk Registers*

## 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><br/>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 (excluding Hants assurance areas) 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> |
| <p><b>Governance, Partnerships and Transformation</b><br/>Council governance</p>                                                                                       | <ul style="list-style-type: none"> <li>• Governance failures, bringing the Council into disrepute or leading to the aims and objectives of the</li> </ul>                                                                                                                                                                                                                                                                                                                                       | <p>At least one full audit of SARS, FOIs, Members Enquiries and Complaints</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |

| Area of Review                                                                                                                                                                                                            | Significant Persistent Risks                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Five-year Approach                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>functions, key strategic partnerships, commercial ventures and transformation programmes and projects.</p>                                                                                                             | <p>Council not being achieved.</p> <ul style="list-style-type: none"> <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 Electoral Services are not discharged effectively</li> <li>• Commercial property portfolio is not managed effectively.</li> </ul> | <p>Annual coverage of Health and Safety based on discussions with management and understanding of risk areas<br/>At least one audit of Gifts, Hospitality and Declarations of Interest</p> <p>Annual audits of specific areas of governance based on discussions with management and understanding of risk.</p> <p>Coverage of each significant Partnership, Joint Venture, Council Owned Company or Commercial Venture.</p> <p>Annual Coverage of Risk Management at either a corporate, thematic or departmental level.</p> |
| <p><b>Information Management &amp; Technology</b><br/>Management of data, compliance with the Data Protection Act /GDPR.<br/>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>                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <p><b>Housing</b><br/>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</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>                                                                                                                                                                                     |

| Area of Review                                                                                                                                                                                             | Significant Persistent Risks                                                                                                                                                                                                                                                                                                          | Five-year Approach                                                                                                                                                                                                                                                                                                                                                                                                                                |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                                                                                                                                            | <p>safety of residents are not identified and addressed promptly.</p> <ul style="list-style-type: none"> <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><b>Children Services</b><br/>Provision of services for children and families including looked after children, family support, school, SEND and amenity services including Registrars and Libraries.</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> <li>Statutory functions such as Registrars are not discharged effectively.</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>At least one audit of the Registrars Service.</p> <p>At least one audit of the Libraries Service.</p> |
| <p><b>Adult Social Care</b><br/>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>                                                                                                                                                                                                                     |
| <p><b>Public Health</b><br/>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.</p> <p>Targeted reviews in specific areas based on discussions with management and understanding of risk.</p>                                                                                                                                                                                                                                           |
| <p><b>Environment, Infrastructure and Community Services</b><br/>Management of highways infrastructure and services provided</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/</li> </ul>                                                                                                                                | <p>At least one procurement and one contract monitoring review across 2 to 3-year period.</p> <p>Cyclical review across the service areas based on discussions with management</p>                                                                                                                                                                                                                                                                |

| Area of Review                                                                                                                                                                                                   | Significant Persistent Risks                                                                                                                                                                          | Five-year Approach         |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|
| for residents, businesses and visitors. Includes Planning & building control, parking, highways, public realm, environmental health, trading standards, community safety, leisure, culture and amenity services. | ineffective service delivery/ failure to deliver outcomes for the community. <ul style="list-style-type: none"> <li>Injury to health /wellbeing to the community, businesses and visitors.</li> </ul> | and understanding of risk. |

### 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 - 2022/23**

The Annual Internal Audit Plan (the Plan) for 2022/23 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.

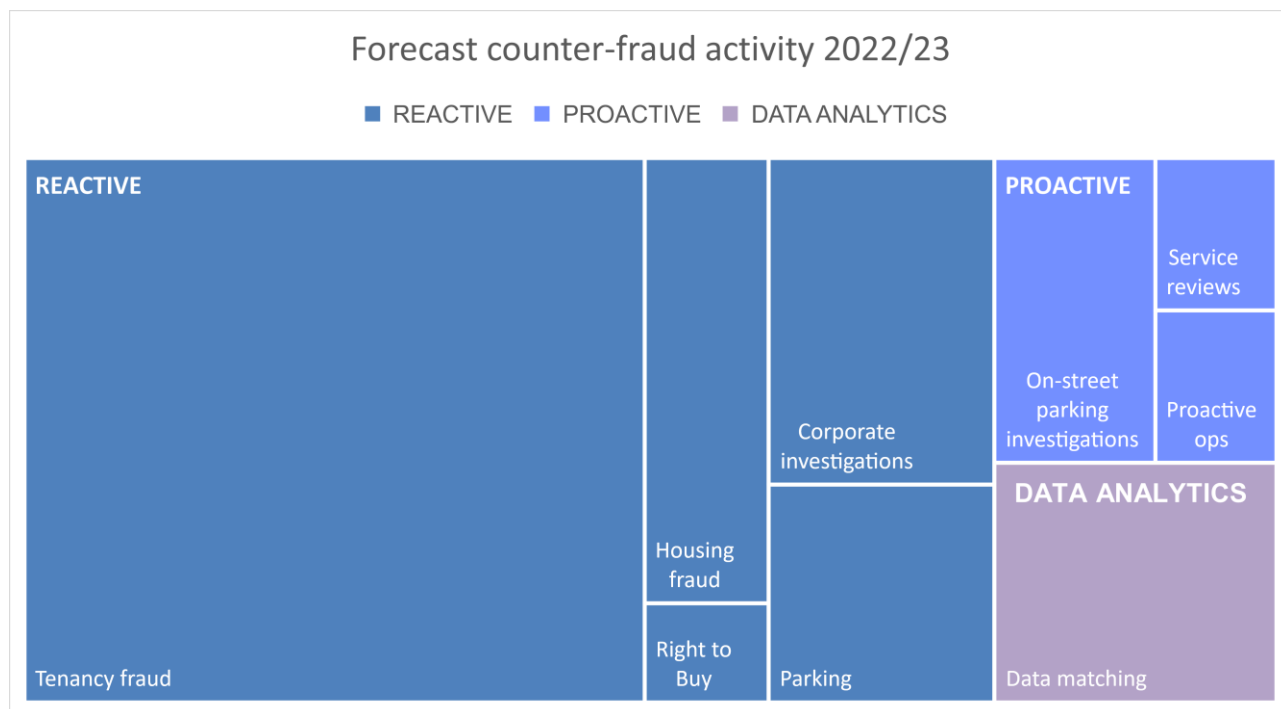
Where possible the Plan is aligned to the Council’s strategic risks and identified audits have been prioritised (High, Medium or Low). However, it should be noted that the Council’s strategic risks and priorities may change during the year and the Plan will be updated as appropriate.

The plan will be updated and provided 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) 2022/23**

The work undertaken by the Corporate Anti-Fraud Service (CAFS) complements the work of Internal Audit and provides additional assurance to the Council that fraud risks are being managed effectively. Reactive and proactive work is planned during 2022/23 by CAFS in the following areas:



**Draft Internal Audit Plan - Quarter 1 2022/23**

| Department                                | Review                                                            | Potential Coverage                                                                                                                                                                                                                                        | Strategic Risk* | Priority (H/M/L) |
|-------------------------------------------|-------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|------------------|
| Cross-Cutting                             | Governance & Risk Management - 1 or 2 reviews (not yet confirmed) | <ul style="list-style-type: none"> <li>• Panels, Boards and Working Groups.</li> <li>• Delegated authority.</li> <li>• Declarations of Interest.</li> <li>• Risk Management.</li> <li>• Transparency Data.</li> <li>• Gifts &amp; Hospitality.</li> </ul> | n/a             | M                |
| Adult Social Care (including PH)          | Procurement and/or Contract Monitoring                            | To be agreed.                                                                                                                                                                                                                                             | 1, 2, 3, 5, 6   | H                |
| Children's Services                       | Case Management System                                            | Implementation of new system.                                                                                                                                                                                                                             | 2,              | M                |
| Children's Services                       | Libraries                                                         | Building Management & Maintenance                                                                                                                                                                                                                         | 3               | M                |
| Children's Services                       | Placements                                                        | To be agreed.                                                                                                                                                                                                                                             | 2               | H                |
| Children's Services                       | Supporting Families                                               | On-going claims review (every quarter)                                                                                                                                                                                                                    | 2               | M                |
| Children's Services - Schools             | Schools (3-4 of the 15 due for audit)                             | Financial control and governance review.                                                                                                                                                                                                                  | 2               | M                |
| Environment & City Management             | Contracts: Arboriculture, Grounds Maintenance                     | To be discussed with the service                                                                                                                                                                                                                          | 5               | H                |
| Environment & City Management             | Parking Income                                                    | New model                                                                                                                                                                                                                                                 | 5               | H                |
| Finance & Resources – Information Systems | IT review                                                         | Scope(s) not yet confirmed.                                                                                                                                                                                                                               | 4               | H                |
| Finance & Resources - Property            | Acquisitions                                                      | Processes and controls in place for the acquisition and financial recording of investment properties.                                                                                                                                                     | 3               | H                |
| Finance & Resources                       | Shareholder Board                                                 | Revisit following review in 2020/21 to provide re-assurance on changes.                                                                                                                                                                                   | 3, 5            | H                |
| Growth, Planning & Housing                | Additional Restrictions Grants (ARG)                              | To be agreed.                                                                                                                                                                                                                                             | 3               | M                |
| Growth, Planning & Housing                | Lessee Recharging for Major Works                                 | Capture & recharge of all relevant charges consistently, and accurately.                                                                                                                                                                                  | 3               | H                |

\*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 & Risk Management - 1 or 2 reviews (not yet confirmed). | <ul style="list-style-type: none"> <li>• Panels, Boards and Working Groups.</li> <li>• Delegated authority.</li> <li>• Declarations of Interest.</li> <li>• Risk Management.</li> <li>• Transparency Data.</li> <li>• Gifts &amp; Hospitality.</li> </ul> | n/a             | M                |
| Adult Social Care (including Public Health) | Cyclical review                                                    | Areas to consider: <ul style="list-style-type: none"> <li>• Homecare.</li> <li>• Reablement.</li> <li>• Procurement.</li> <li>• Contract management.</li> <li>• Supplier resilience.</li> <li>• Partnerships.</li> </ul>                                  | 1, 2, 3, 5      | H                |
| Children's Services                         | Cyclical Review                                                    | <ul style="list-style-type: none"> <li>• Area to consider: Registrars.</li> </ul>                                                                                                                                                                         | 3               | M                |
| Children's Services                         | Supporting Families                                                | On-going review of claims (continues every quarter)                                                                                                                                                                                                       | 2               | M                |
| Children's Services - Schools               | Schools (11-12 of the 15 due for audit)                            | Financial control and governance review.                                                                                                                                                                                                                  | 2               | M                |
| Environment & City Management               | Licensing: Street Trading & Markets (Q2)                           | To consider new systems and processes                                                                                                                                                                                                                     | n/a             | M                |
| Environment & City Management               | Environmental Health & Safety (Q3)                                 | Cyclical review                                                                                                                                                                                                                                           | tbc             | H                |
| Finance & Resources                         | Digital & Innovation                                               | Scope(s) not yet confirmed.                                                                                                                                                                                                                               | tbc             | tbc              |
| Finance & Resources                         | Property Services                                                  | To be discussed further with the service                                                                                                                                                                                                                  | tbc             | tbc              |
| Finance & Resources                         | Commercial Partnerships                                            | To be discussed further with the service                                                                                                                                                                                                                  | 5               | H                |
| Finance & Resources                         | Key Financial Controls Testing                                     | Annual programme of testing                                                                                                                                                                                                                               | 3               | H                |
| Finance & Resources                         | Pension Investments                                                | Plan of work to be agreed (see also People Services).                                                                                                                                                                                                     | n/a             | H                |
| Finance & Resources                         | Council Tax                                                        | Cyclical Review                                                                                                                                                                                                                                           | 3               | H                |
| Finance & Resources                         | Housing Benefits                                                   | Cyclical Review                                                                                                                                                                                                                                           | 3               | H                |
| Finance & Resources                         | Legal Services                                                     | Critical friend as part of preparation for Lexcel certification process.                                                                                                                                                                                  | n/a             | M                |

## Appendix B

| Department                 | Review                          | Potential Coverage                                                                                                                                                    | Strategic Risk* | Priority (H/M/L) |
|----------------------------|---------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|------------------|
| 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, recruitment OD Spend, leave and sickness absence, IR35 compliance and likely to be cross-cutting. | n/a             | M                |
| People Services            | Pensions Administration         | Plan to be agreed (see also Finance & Resources)                                                                                                                      | n/a             | H                |
| Growth, Planning & Housing | Housing Health & Safety         | Cyclical review of compliance with H& S requirements (areas to be confirmed)                                                                                          | n/a             | H                |
| Growth, Planning & Housing | Temporary Accommodate           | Procurement of Temporary Accommodation                                                                                                                                | tbc             | H                |
| Growth, Planning & Housing | Housing Repairs                 | To be discussed with the service.                                                                                                                                     | 5               | H                |
| Growth, Planning & Housing | HRA Recharges                   | To be discussed with the service.                                                                                                                                     | 3               | M                |
| Growth, Planning & Housing | New housing management System   | To be discussed with the service.                                                                                                                                     | tbc             | tbc              |
| Growth, Planning & Housing | Building Control                | Implementation of changes in legislation                                                                                                                              | tbc             | tbc              |
| Innovation & Change        | Transformation Governance       | To be discussed with the service.                                                                                                                                     | tbc             | H                |
| Innovation & Change        | Project Management Health Check | Implementation of agreed changes (Q4)                                                                                                                                 | tbc             | H                |
| Innovation & Change        | S106 & CIL                      | To be discussed with the service (Q4)                                                                                                                                 | tbc             | tbc              |

|                                                                                                                 |                                                                                                                                                                                                                                                      |
|-----------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <br><b>City of Westminster</b> | <h2>Audit and Performance Committee Report</h2>                                                                                                                                                                                                      |
| <b>Date:</b>                                                                                                    | 16 February 2022                                                                                                                                                                                                                                     |
| <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><br><br><b>Author:</b>                                                                         | Hazel Best<br>Interim Monitoring Officer for Westminster City Council, Bi-borough Legal Services<br><br>Joyce Golder<br>Principal Lawyer, Bi-Borough Legal Services<br>Email: <a href="mailto:joyce.golder@rbkc.gov.uk">joyce.golder@rbkc.gov.uk</a> |

## 1. Executive Summary

- 1.1 This is an annual report which, this year, in the absence of a Director of Law (recruitment for the new Director of Law post is currently underway), is the report of the City Council's Interim Monitoring Officer. The previous report was received by the Committee on 17 February 2021.
- 1.2 This report is submitted to the Audit and Performance Committee in accordance with its Terms of Reference, which state that the Committee is:
 

*“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 Director of Law and the Chief Finance Officer”.*
- 1.3 The City Council's Interim Monitoring Officer 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.
- 1.4 '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.

- 1.5 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.
- 1.6 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 this report will detail how we maintain ethical governance in each case.
- 1.7 In compiling this report the Interim Monitoring Officer relies on information provided by or on behalf of Directors and officers of a number of services. The areas covered in this year's report are the following:
- Shared Audit, Fraud, Risk and Insurance 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 Committee notes this Annual Report and actions taken to maintain high standards of ethical governance throughout the City Council.
- 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. Shared Audit, Fraud, Risk and Insurance Service**

- 3.1 The Shared Audit, Fraud, Risk and Insurance Service reviews policies, procedures and governance arrangements across the City 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 intranet 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.
- 4.2 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"*
- 4.3 As the Shared Corporate Anti-Fraud 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 complaints procedure, the complainant will be advised that the matter will be referred to the Shared Corporate Anti-Fraud Service to take the appropriate action.
- 4.4 The Corporate Complaints Team is a distinct service to that of the Shared Corporate Anti-Fraud Service and is based within the Revenues & Benefits Department. The team has overall responsibility for the management and development of the Corporate Complaints

policy and for the compilation of the Annual Complaints Review. There is a separate report already presented to the Audit and Performance Committee in relation to Annual Complaints for 2020/21. 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, although these would be dealt with outside of the Corporate Complaints Policy.

## **5. Ethical governance at Member level**

- 5.1 The City Council's Standards Committee usually meets three times a year. In 2021, the Standards Committee met on, 8 April 2021, 1 July 2021 and 4 November 2021.
- 5.2 During the year the Committee has considered and discussed the recommendations of the report entitled "Local Government Ethical Standards" and how it would continue to be fit for purpose, incorporating advances in technology, social media, case law and changes in legislation. In addition, the Committee considered the code of conduct training provided to members and an annual update on member complaints. The Leader also attended the committee for a question and answer session on ethical standards.
- 5.3 At its meeting on 4 November 2021 the Committee held a session with the Chief Executive regarding undertaking a review of the Council's Member Officer Protocol as a consequence of one of the recommendations coming from the Marble Arch Mound Review. The importance of the review was highlighted by Members as it presented a good opportunity to review the protocol with a view to ensuing good working relationships and ethical governance across the organisation.
- 5.4 The Committee agreed to undertake the review and said it was a good opportunity to update the Protocol and assist in building constructive working relationships between Councillors and Officers across the Council.
- 5.5 The Council has three Independent Persons. They attend and contribute at meetings of the Standards Committee.
- 5.6 In the calendar year 2021 the Monitoring Officer considered four complaints put forward against Councillors alleging a breach of the Members' Code of Conduct. The Monitoring Officer, or her deputies, considered each of the complaints and the evidence provided. On each complaint one of the Council's Independent Persons was consulted. On each occasion it was felt that the complaint did not warrant formal investigation.
- 5.7 Ethical standards are included in the Members' Development Training Programme. The Councillors attended a Code of Conduct Training on 3 June 2021.

## **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 provide guidance and structure on the manner in which Council employees should carry out their duties. The main provisions are summarised in the Council's Code of Conduct for employees. The Employee Code of Conduct details source documents such as HR Policies where more comprehensive information can be found.
- 6.3 Breaches of the [Code of Conduct \(sharepoint.com\)](#) 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 detailed below are regarded as normal in an organisation the size of the City Council.

- 6.5 An overall three-year trend:

|                | 2018 - 2019 |      | 2019 - 2020 |      | 2020 - 2021 |      | Trend    |
|----------------|-------------|------|-------------|------|-------------|------|----------|
|                | Closed      | Open | Closed      | Open | Closed      | Open |          |
| Disciplinary   | 11          | 15   | 16          | 16   | 9           | 10   | Decrease |
| Staff employed | 1890        |      | 2461        |      | 2541        |      |          |

- 6.6 The Council concluded nine disciplinary cases in total in the 2020/2021 financial year (this included four cases which were brought forward from 2019/2020).
- 6.7 There were five cases opened in 2020/2021 that remained open going forward to the new financial year. These are all now concluded.
- 6.8 There has been a notable decrease in the number of disciplinary cases in comparison to 2019/2020.
- 6.9 The outcome of those disciplinary matters closed in 2020/21 were:

| <b><u>Outcome</u></b>      | No Case to answer | Formal Written Warning | Final Written Warning | Dismissal | Resigned | Left by mutual agreement |
|----------------------------|-------------------|------------------------|-----------------------|-----------|----------|--------------------------|
| <b><u>Closed Cases</u></b> | 3                 | 3                      | 0                     | 2         | 1        | 0                        |

- 6.10 For the cases opened in 2020/2021 there have been two cases which would fall under the remit of ethical conduct, these centred around an allegation of fraud, and the registration of a personal business at a premises owned by the Council. This equates to less than 20% of all of the disciplinary cases and therefore it is not felt that, at the present time, there is a concern of poor ethical behaviour across the Council.
- 6.11 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, gross misconduct, taking absence without authorisation, a breach of professional standards and behaviour which could lead to a breakdown in trust and confidence.
- 6.12 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.
- 6.13 In 2020 / 2021 there were four whistleblowing complaints raised. The cases were logged and dealt with via our external whistleblowing hotline, Safecall. In summary two of the complaints raised did not relate to a Westminster Employee and were dealt with via the appropriate contractor. There was one complaint raised around the recruitment of a senior officer and another complaint raised alleging sex discrimination claims across the Council. In both cases the Council undertook an investigation, and the complaints were unsubstantiated and no further action was taken.
- 6.14 There were 17 individual grievance cases opened within the stated period and nine brought forward from the previous year, 19 cases in total were closed and seven remained open going forward to the next financial year. Out of the remaining cases only one case still remains open at the time of submitting this report. It should also be noted that within the 19 cases we had some individuals raise multiple grievances and the Council had in fact 15 individuals raise grievance complaints in 20/21.
- 6.15 The outcome of those cases closed within 2020/2021 were;

| Outcome      | Not Upheld | Upheld | Partially Upheld | Dealt with Informally | Withdrawn |
|--------------|------------|--------|------------------|-----------------------|-----------|
| Closed Cases | 16         | 1      | 2                | 0                     | 0         |

- 6.16 The general themes to the grievances do not highlight any concerns of unethical conduct.
- 6.17 A majority of these cases were not upheld however there were management learnings highlighted and implemented, which supports our managers to have a growth mindset. We continually monitor this important matter in our annual staff survey so that any area of concern can be highlighted to senior officers.



6.18 The table below, from the Your Voice Survey 2021 shows the response for Respect and Dignity (Bullying and Harassment). In 2021 the question was changed to also include inappropriate behaviour. The 'No' response has increased by 8% which is a positive although the 'Yes' response has also increased by 2%. The 'prefer not to say' option was removed this year which will explain why we have seen the increase in both 'No' and 'Yes' responses.

| During the past 12 months have you personally experienced inappropriate behaviour at work?<br><br><i>(The following questions are about inappropriate behaviour at work, such as discrimination and/or bullying and harassment)</i> | 2017 | 2018 | 2019 | 2020 | 2021 | Trend |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|------|------|------|------|-------|
| Yes                                                                                                                                                                                                                                 | 11%  | 9%   | 12%  | 9%   | 11%  | +2%   |
| No                                                                                                                                                                                                                                  | 81%  | 81%  | 80%  | 81%  | 89%  | +8%   |
| Prefer not to say                                                                                                                                                                                                                   | 8%   | 10%  | 8%   | 9%   | -    | -     |

### Staff Declarations of Interest and Receipt of Gifts and Hospitality

6.19 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 posts<sup>[1]</sup> to complete a Declarations of Interests Form on taking up the post and on any change in personal circumstances.

6.20 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.

6.21 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

<sup>[1]</sup> 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.

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**

- 6.22 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 Head of Internal Audit.
- 6.23 In July 2021 the Council launched a new Gifts and Hospitality Policy to ensure clarity of what could be and should not be accepted by employees, and to allow for full transparency. The key principles of the new Gifts and Hospitality Policy are:
- Employees may not accept any fee or reward whatsoever other than their proper contractual pay and benefits.
  - Employees cannot accept or give gifts, unless in accordance with the limited exceptions set out in the policy, such as small token value gifts (i.e. pens, diaries etc).
  - Hospitality which needs to be recorded, both accepted or declined, is defined as drinks, meals, events, entertainment, overnight accommodation and travel with an estimated value of £25 or more.
  - It may be appropriate in very limited circumstances to accept offers to modestly priced ticketed events but only if they are taking place within the City of Westminster and if acceptance would not be viewed as an attempt to influence that employee's part in a council decision making process.
  - We have removed managerial sign-off and shifted the ultimate responsibility onto the individual being offered the gifts and/or hospitality.
  - If employees have any doubts as to whether it would be appropriate to accept G&H, then they should not accept it.
  - We have committed to publishing the G&H register entries on our external website twice yearly for transparency.

A copy of the new policy can be found [here](#)

## **7. Ethical Governance guidance and safeguards in relation to the Council's contractors and procurement**

- 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 potential that the £500million annual Council spend on third party contracts represents was recognised by the Procurement and Commercial Service as a significant lever to drive positive action on increasingly important issues such as tackling the climate emergency and ensuring labour rights in our supply chain. The team therefore developed a Responsible Procurement and Commissioning (RPC) Strategy as a framework through which to deliver City for All and wider sustainable development goals, whilst delivering maximum value for Westminster and its residents and partners.
- 7.5. Since March of 2021, the team has been working with colleagues across the Council to develop the RPC Strategy, which is going to Cabinet on 17 February 2022 with a planned launch date in March 2022 subject to endorsement.
- 7.6 The RPC Strategy is based on four themes, which include areas of local impact and social value, as well as wider aspects related to sustainable development and responsible business. These themes include Environmental Sustainability, Community and Business Partnerships, 'Build Back Better' and Inclusive, High-Quality Work. The latter theme includes ensuring appropriate pay and conditions of our supply chain workforce, professional development opportunities, a diverse workplace that is representative of its community, legal and fair employment practices and combatting modern slavery and labour rights abuses.
- 7.7 The Procurement and Commercial Service is also working alongside the Bi-borough Modern Slavery Coordinator to develop and publish the City of Westminster's first Modern Slavery Statement in the first quarter of 2022. This Statement provides a description of the actions the Council has taken to date to implement due diligence procedures to mitigate risks of modern slavery and exploitation in our supply chains and future actions planned with both existing and new suppliers. This work is being supported by the Bi-borough Modern Slavery and Exploitation Group and is underpinned by the Bi-borough Modern Slavery Strategy.

## **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 2021-2022 year.

- 8.2 As detailed in this report, action has been taken to ensure the Council is fully compliant with relevant legislation relating to ethical governance and to ensure Officers' and Members' responsibilities in this context are communicated accordingly.
- 8.3 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.
- 8.4 The Council's Interim Monitoring Officer welcomes any recommendations the Committee may have on whether the Committee feels this report provides them with the information they require or whether any other particular areas should be covered or could be expanded on which are not.

If you have any queries about this Report or wish to inspect any of the Background Papers (here provided below again as links), please contact:  
Joyce Golder

[joyce.golder@rbkc.gov.uk](mailto:joyce.golder@rbkc.gov.uk)

**BACKGROUND PAPERS:**

[Fraud page](#)

[Council's Anti-Fraud & Corruption Strategy 2020-23](#)

[Whistleblowing at Work Policy](#)

[Fraud Response Plan](#)

[Code of Conduct \(sharepoint.com\)](#)

[Declarations of Interests Form](#)

[Gifts and Hospitality Policy](#)



## Audit and Performance Committee Report

|                        |                                                               |
|------------------------|---------------------------------------------------------------|
| <b>Decision Maker:</b> | Audit and Performance Committee                               |
| <b>Date:</b>           | 16 February 2022                                              |
| <b>Classification:</b> | General Release                                               |
| <b>Title:</b>          | Period 9 budget monitoring report 2021/22                     |
| <b>Wards Affected:</b> | All                                                           |
| <b>Report of:</b>      | Gerald Almeroth – Executive Director of Finance and Resources |

### 1. Executive Summary

1.1 In March 2021 Full Council approved the 2021/22 budget which included £16.9m of savings and £28.7m of investment and pressures.

1.2 At the end of December (Period 9) the following variances have been identified compared to the budget approved in March 2021:

- Revenue: General Fund - £3.430m overspend
- Revenue: Housing Revenue Account - £2.209m underspend
- Capital: General Fund – £10.571m underspend
- Capital HRA - £5.395m underspend

1.3. The General Fund revenue variances are due to several under and overspends across all directorates. Primarily the overspend is a result of reduced income in comparison to budget. The four income streams with the highest variances are:

- Planning - £2.5m
- Parking (all streams) - £1.1m
- Commercial Waste - £0.5m
- Licensing - £0.5m

- 1.4. The HRA is forecasting an underspend of £2.2m. Salaries are the main contributor to this underspend and further details are provided in section 4.
- 1.5. The General Fund and HRA capital programmes are forecasting a net variance compared to budget of £10.571m and £5.395m respectively. Further details on individual projects are provided in section 5.

## **2. General Fund Summary**

### **2.1 Overview**

- 2.2 At period 9 the Council forecasts a forecast variance of £3.430m (1.88% of net controllable budget) against the budget (£4.60m in period 6) after taking into account the Government's sales, fees and charges (SFC) compensation and corporate contingency which is now being applied as risks and opportunities become realised in the budget. The use of the risk budget was outlined at period 6 as a potential source of funding to reduce the final overspend should income levels remain under pressure.
- 2.3 There is an increase in the gross overspend of £2.330m since period 6, of which Environment and City Management and Growth, Planning and Housing income is the main contributor. Additionally, collaborative savings will be reprofiled into next year and form part of the refreshed medium-term financial plan.
- 2.4 Of the gross overspend, £3.914m is driven by shortfalls in commercial income (36%). This equates to a c£25m shortfall against pre-pandemic budgets and represents the biggest financial risk the Council's budgets, further compounded by the recent Omicron variant.

## 2.5 General Fund

| ELT Portfolio                   | FY Budget (£m)   | FY Forecast (£m) | FY Variance (£m) | Risks Identified (£m) | Opps Identified (£m) | Projected Variance inc Opps and Risks (£m) |
|---------------------------------|------------------|------------------|------------------|-----------------------|----------------------|--------------------------------------------|
| Adult Social Care               | 51.560           | 51.360           | (0.200)          | -                     | -                    | (0.200)                                    |
| Public Health                   | (1.029)          | (1.029)          | -                | -                     | -                    | -                                          |
| Growth, Planning & Housing      | 22.483           | 25.428           | 2.900            | -                     | -                    | 2.900                                      |
| Finance and Resources           | 49.216           | 48.621           | (0.600)          | 0.800                 | -                    | 0.200                                      |
| Environment and City Management | 4.588            | 7.878            | 3.110            | -                     | -                    | 3.110                                      |
| Children's Services             | 38.888           | 40.670           | 1.800            | 0.400                 | -                    | 2.200                                      |
| Innovation and Change           | 12.788           | 12.348           | (0.400)          | 0.400                 | -                    | -                                          |
| Other Corporate Directorates    | 4.265            | 4.265            | -                | -                     | -                    | -                                          |
| Other Corporate Items           | -                | -                | 0.650            | -                     | -                    | 0.650                                      |
| <b>NET CONTROLLABLE BUDGET</b>  | <b>182.759</b>   | <b>189.541</b>   | <b>7.260</b>     | <b>1.600</b>          | <b>-</b>             | <b>8.860</b>                               |
| Council Tax                     | (62.078)         | (62.078)         | -                |                       |                      | -                                          |
| Business Rates - Net of Tariff  | (120.667)        | (120.667)        | -                |                       |                      | -                                          |
| <b>CORPORATE FINANCING</b>      | <b>(182.745)</b> | <b>(182.745)</b> | <b>-</b>         |                       |                      | <b>-</b>                                   |
| <b>SFC Compensation</b>         |                  |                  | <b>(2.400)</b>   |                       |                      | <b>(2.400)</b>                             |
| <b>Corporate Pressures</b>      |                  |                  | <b>(1.430)</b>   |                       |                      | <b>(1.430)</b>                             |
| <b>Net (Surplus) / Deficit</b>  |                  |                  | <b>3.430</b>     | <b>1.600</b>          | <b>-</b>             | <b>5.030</b>                               |

## 2.6 Period 6 to Period 9 Changes - Headlines

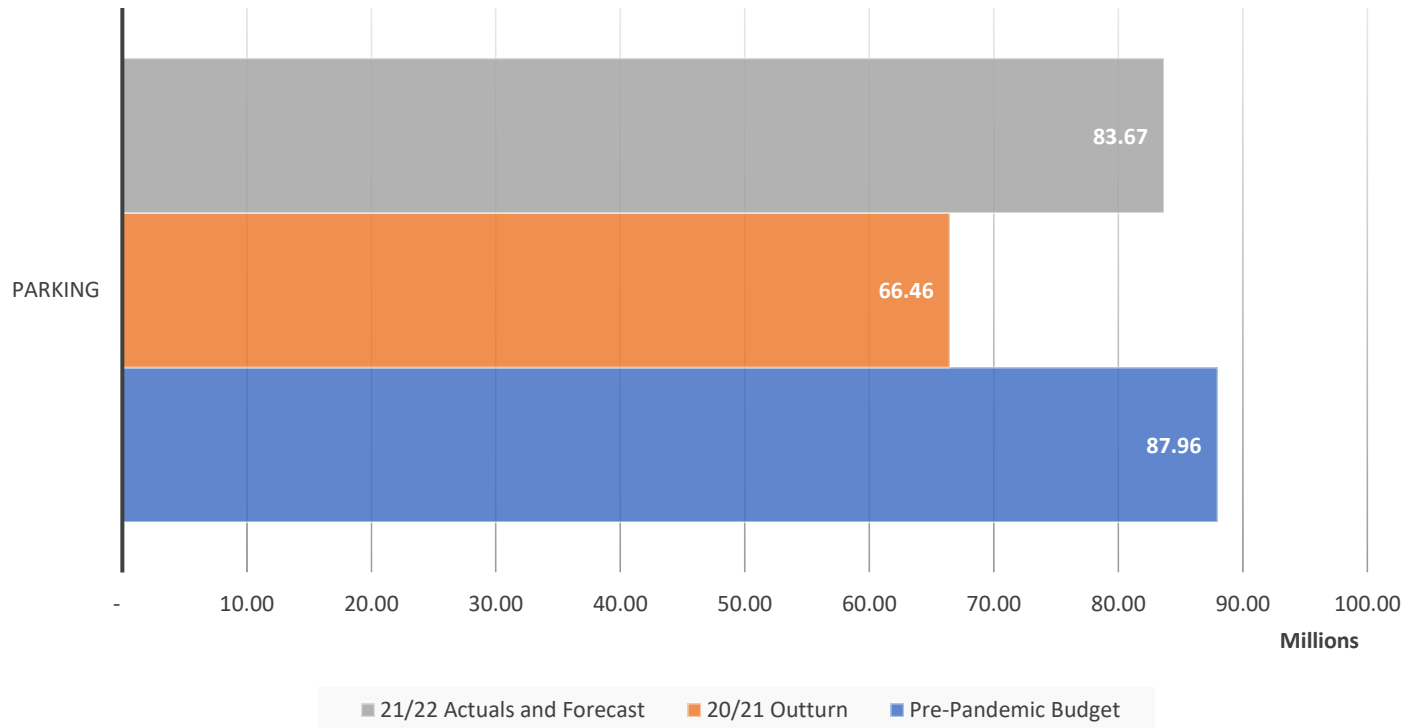
- 2.6.1 The forecast variance has improved by £1.170m since period 6. The main movement is the £2.550m reprofiling of Collaborative Savings (previously reported as a risk) offset by a £1.9m underspend on concessionary fares that follows from reduced transport usage across London. Working from home continues to have a significant impact on footfall. Concessionary fares costs are modelled as being £1.9m cheaper from three years from 2022/23 which has been offered as a savings in the July 2021 MTFP update.
- 2.6.2 Furthermore, there has been an improved variance of £0.100m in Adult Social Care, £0.600m in Finance and Resources, £0.200m in Children's Services and £0.100m in Innovation and Change compared to period 6.
- 2.6.3 There has also been an adverse variance of £0.400m in Growth, Planning and Housing and £0.380m in Environment and City Management.

## 2.7 Income Summary

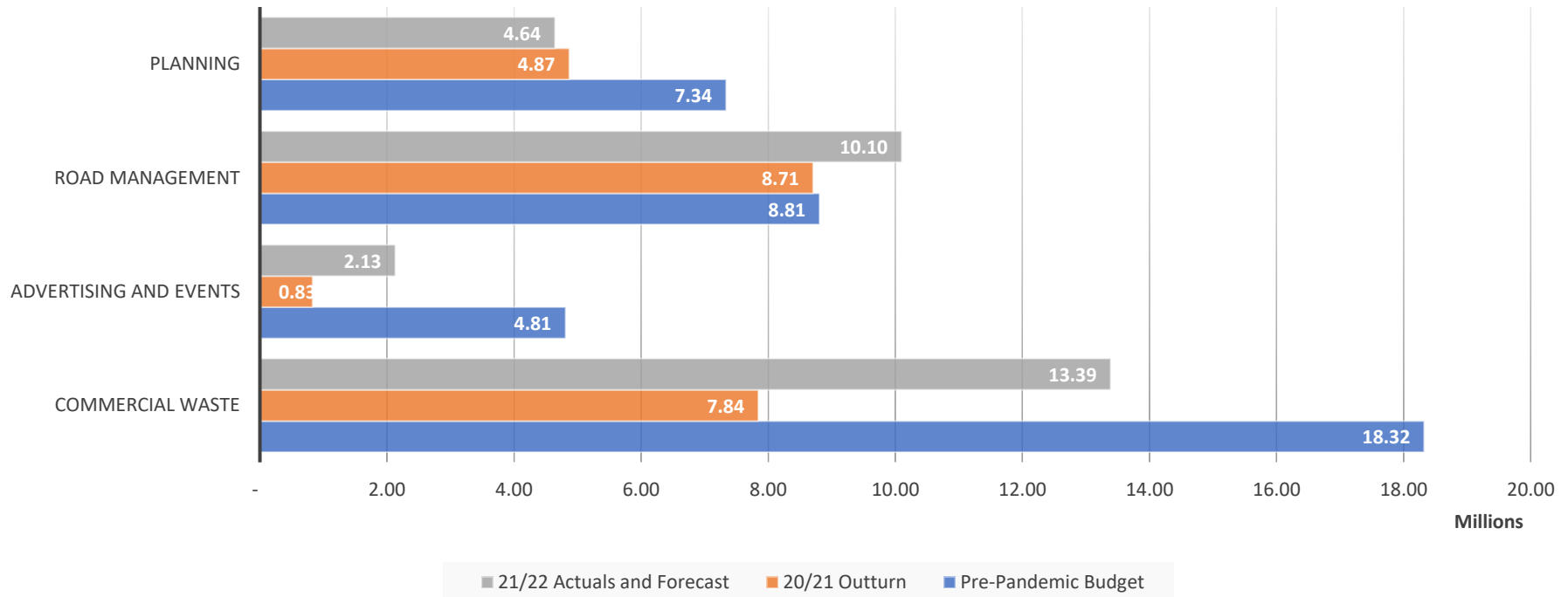
- 2.7.1 Income streams continue to fluctuate as the City emerges from the pandemic. Daytime population numbers for both commuters and tourists, are expected to be low for some time. Many of the Council's income sources are dependent on the transient population in the City.
- 2.7.2 Income budgets for 2021/22 were adjusted to reflect a reduction in line with the Government's economic forecasts.
- 2.7.3 The full year income forecast is a £3.914m adverse variance. This is a c£25m adverse variance against pre-pandemic budget lines. The pre-pandemic variances across the Council's key income lines can be seen in the graphs overleaf.
- 2.7.4 Activity has worsened over the last three months (£3.875m adverse variance at period 6). This reflects a decreasing demand as the year progresses. Key income streams which have resulted in this are
- Paid for Parking has an adverse variance of £2.300m in period 9 whereas it was £1.750m in period 6
  - Licensing has an adverse variance of £0.502m in period 9 whereas it was a nil variance in period 6
  - Planning has an adverse variance of £2.500m in period 9 whereas it was £2.100m in period 6
- 2.7.5 The key income streams impacted are summarised in the graphs below. The graphs show indicative forecasts for the full year (favourable variances in brackets) and compares these with pre-pandemic levels.



## Comparators of Parking Income to Pre-Pandemic Levels



### Comparators of Key Income Categories to Pre-Pandemic levels



## 2.8 Savings Summary

2.8.1 Details of progress against approved savings are outlined in the commentary for each directorate. Of the £22.965m savings target 76% are either achieved or on target. Reprofiled and unachievable savings have been reflected in the medium-term financial plan.

2.8.2 Where savings are not on track, the directorates will consider mitigations to bring the budget back on target for this year.

| Directorate (£000s)             | Saving achieved | On-track     | Reprofiled   | Saving target not on-track to be met | Total         |
|---------------------------------|-----------------|--------------|--------------|--------------------------------------|---------------|
| Adult Social Care               | 1,368           | 1,695        | -            | -                                    | 3,063         |
| Children's Services             | -               | 1,405        | 912          | 250                                  | 2,567         |
| Environment and City Management | 120             | 2,445        | 598          | 250                                  | 3,413         |
| Growth, Planning and Housing    | 600             | 1,305        | 45           | 500                                  | 2,450         |
| Innovation and Change           | 800             | -            | -            | -                                    | 800           |
| Finance and Resources           | 1,580           | 1,560        | 350          | -                                    | 3,490         |
| Collaborative Savings           | 3,759           | 315          | 2,550        | -                                    | 6,624         |
| HRA Savings                     | 380             | 178          | -            | -                                    | 558           |
| <b>Total</b>                    | <b>8,607</b>    | <b>8,903</b> | <b>4,455</b> | <b>1,000</b>                         | <b>22,965</b> |

2.8.3 Total reprofiled savings of £4.595m have been reflected in the 2022/23 medium-term financial plan:

| Directorate                     | Description/Service                                           | Reprofiled (£000's) |
|---------------------------------|---------------------------------------------------------------|---------------------|
| Children's Services             | IT Case Management System                                     | 87                  |
| Children's Services             | MASH/LSCB                                                     | 50                  |
| Children's Services             | Passenger Transport Alternative Delivery Mechanisms           | 50                  |
| Children's Services             | Staffing Review                                               | 625                 |
| Children's Services             | Traded Service Review - Additional Savings                    | 100                 |
| Collaborative Savings           | Business support review                                       | 2,050               |
| Collaborative Savings           | CED strategy: contact centre review                           | 500                 |
| Environment and City Management | Championing Innovation in Highways Maintenance and Management | 250                 |
| Environment and City Management | Community Services                                            | 60                  |
| Environment and City Management | Parks - Surrender Leasehold Sites                             | 30                  |
| Environment and City Management | Public Protection and Licensing                               | 100                 |
| Environment and City Management | Strategic Review of Street Cleansing Provision                | 158                 |
| Finance and Resources           | Further IT Contract Savings                                   | 100                 |
| Finance and Resources           | Review of Bi-Borough IT Service                               | 250                 |
| Growth, Planning and Housing    | Rental income from Intermediate Housing                       | 45                  |
|                                 | <b>Total</b>                                                  | <b>4,455</b>        |

2.8.4 In total there are £1.0m of savings not on track which are also reflected in the medium-term financial plan:

| Directorate                     | Description/Service                | Shortfall of savings not on-track to be met |
|---------------------------------|------------------------------------|---------------------------------------------|
| Children's Services             | Pre-Birth to Five Service Redesign | 250                                         |
| Environment and City Management | Public Protection and Licensing    | 250                                         |
| Growth, Planning and Housing    | Planning Income                    | 500                                         |
|                                 | <b>Total</b>                       | <b>1,000</b>                                |

## 2.9 COVID-19 Grants

2.9.1 As at period 9, the Council had an opening balance of £6.360m of grants related to COVID-19 and received £8.632m. By year-end, it is expected the council will receive an additional £3.031m of funding to bring the total funding to £18.026m. Current forecasts predict an expenditure of £15.382m which will leave a closing balance of £2.644m.

2.9.2 The use of COVID-19 grants will continue to be explored to apply to eligible expenditure by year-end. Grant regulations for the estimated closing balances shown in the table below state that balances can be carried forward into 2022/23

| Grant Name                                                                      | Opening Balance<br>2021/22<br>£'000s | Received In-<br>Year as at<br>Period 9<br>£'000s | Remainder<br>Expected to<br>be received<br>£'000s | Forecasted<br>Expenditure<br>£'000s | Closing<br>Balance<br>2021/22<br>£'000s |
|---------------------------------------------------------------------------------|--------------------------------------|--------------------------------------------------|---------------------------------------------------|-------------------------------------|-----------------------------------------|
| Infection Control and Rapid testing Fund                                        | -                                    | 1,006                                            | 194                                               | 1,201                               | -                                       |
| Workforce Recruitment & Retention Fund                                          | -                                    | 1,695                                            | 855                                               | 2,550                               | -                                       |
| Test and Trace                                                                  | 1,344                                | -                                                | -                                                 | 1,344                               | -                                       |
| Rough Sleeping Drug and Alcohol Treatment Grant                                 | 364                                  | 626                                              | 54                                                | 1,044                               | -                                       |
| Vaccination Champions Fund                                                      | -                                    | -                                                | 485                                               | 485                                 | -                                       |
| Practical Support for Those Self-Isolating                                      | 83                                   | 602                                              | 260                                               | 863                                 | 83                                      |
| Community Asymptomatic Testing                                                  | -                                    | 1,386                                            | 1,183                                             | 2,569                               | -                                       |
| COVID-19 Catch Up Premium ESFA Schools                                          | 20                                   | 274                                              | -                                                 | 295                                 | -                                       |
| Wellbeing for Education Recovery Grant (S31)                                    | -                                    | 23                                               | -                                                 | 0                                   | 23                                      |
| Holiday Activities and Food Programme                                           | 36                                   | 319                                              | -                                                 | 96                                  | 259                                     |
| Covid-19 Archives Fund Grant                                                    | 10                                   | 0                                                | -                                                 | 10                                  | -                                       |
| National Leisure Recovery Fund (NLRf)                                           | 611                                  | 0                                                | -                                                 | 611                                 | -                                       |
| Next Steps Accommodation Programme                                              | 809                                  | 0                                                | -                                                 | 809                                 | -                                       |
| Protect 2 Grant                                                                 | 219                                  | 0                                                | -                                                 | 219                                 | -                                       |
| Contain Outbreak Management Fund (COMF)                                         | 2,522                                | 2,575                                            | -                                                 | 2,883                               | 2,215                                   |
| Local Authority Test and Trace Support Payment (Discretionary Support Payments) | 342                                  | 126                                              | -                                                 | 404                                 | 64                                      |
| <b>Total</b>                                                                    | <b>6,360</b>                         | <b>8,632</b>                                     | <b>(3,031)</b>                                    | <b>15,382</b>                       | <b>(2,644)</b>                          |

### 3. Directorate Detail

#### 3.1 Adult Social Care

- 3.1.1 The projected outturn at period 9 is an underspend of £0.200m against an annual budget of £51.560m. We have seen fluctuations in demand over the past 18 months however, service demand is returning to pre-pandemic levels and continuing to grow. During the year additional one-off grants were received to support ASC and its provider market however no announcements have been made to confirm if these grants will continue in the new financial year.
- 3.1.2 The challenges facing Westminster are in line with other local authorities across London especially relating to Discharge to Assess (D2A). The council is in receipt of non-recurring income to support D2A which is due to end in March 2022. If the accelerated discharge pathway that was adopted as a response to Covid remains unchanged in the new financial year and funding does not continue, then this may result in financial pressures in 2022/23.

#### **Future Outlook**

- 3.1.3 On 1 December 2021, a white paper on ASC reform was issued, People at the Heart of Care. However, this paper did not provide any details on the financial mechanism to distribute funding, nor did it provide further explanation on the financial implications arising from the planned reforms. It is estimated that £5.4bn will be available from the Health and Social Care levy to local authorities over the next three years of which, £3.6bn will be available to fund care cap, extension to means test and support progress towards local authorities paying a fair cost of care. The remaining balance will be used to improve social care across England. Further details were available in the white paper such as, £500m investment in the workforce, £300m on housing and social care integration and £150m to drive greater adoption of technology.

#### 3.2 Public Health

- 3.2.1 Public Health is expected to be within budget but there are some over- and underspends leading to this position as outlined below. This is split between commissioned (services provided through the NHS) and non-commissioned services.

#### **Commissioned Services:**

- 3.2.2 For the Behaviour Change service, the forecast reflects continued reductions in demand for Health Checks and smoking cessation services accessed via GPs. It is anticipated that demand will be lower than before the pandemic resulting in a forecast underspend of £0.231m.
- 3.2.3 For Families and Children, the forecast overspend is £0.142m which is due to an increased expenditure in Community Based Initiatives, Domestic Violence, Healthy School and an inflationary increase in School Nursing. However, this is partly offset by slight underspends in Oral Health and Healthy Start Vitamins.
- 3.2.4 Within Sexual Health, the GUM service is reporting an underspend of £0.154m due to reduction in demand based on latest activity data as well as increased use of E-services.

3.2.5 For Substance Misuse, the forecast underspend of £0.069m recognises a continued reduction in demand for Detox Placements, GP Shared Care, and the Reducing Reoffending Pilot in addition to savings achieved in Core Alcohol contract which commenced in quarter 2 of 2021.

**Non-Commissioned Services:**

3.2.6 In addition to the core Public Health grant, the Council continues to anticipate that the following specific grants will be fully spent by year-end:

- Test & Trace - £1.9m
- Rough Sleepers Drug and Alcohol Treatment - £0.9m
- Asymptomatic Community Testing compensation - £1.56m up to October 2021

3.2.7 Salaries and Overheads budgets are forecast to overspend by £0.141m; a continuing trend from 2020/21 which is due to additional demand in response to Covid.

3.2.8 The budget was planned to be balanced by a transfer to reserves of £0.305m. However, due to the variances listed above, the forecast transfer to reserves is anticipated to be £0.916m.

### 3.3 Growth, Planning and Housing

3.3.1 Growth, Planning and Housing is forecasting a net overspend of £2.900m this month (£2.500m in period 6), driven by the worsening income shortfall in planning due to slow recovery post-pandemic.

3.3.2 **Temporary Accommodation** - Westminster has a demand for over 2,600 units of accommodation for homeless households. This level of demand is creating a pressure of £1.9m on the TA budget. However, any potential overspend will be offset by drawing down unused Homelessness Prevention Grant, subject to s151 officer sign-off.

3.3.3 **Place Shaping and Town Planning** - the adverse variance of £0.340m reported in period 6 for one-off redundancy costs linked to the planning review restructure has been removed. These costs will be funded from earmarked reserves held specifically for this purpose. There is an income shortfall of £2.500m (35%) on fees and charges, an adverse movement of £0.400m from period 6. YTD income is £1.658m (35%) below budget. Income is still below pre-pandemic levels due to the decline in the number of major applications (which are 46% below 2019 levels) but is expected to improve in 2022 as the economy recovers.

3.3.4 **Westminster Employment Service** - the risk of the service not being able to fully fund employment activities has reduced from £1.337m in period 6 to £0.680m this month as additional funds have been secured from the Thriving Economy budget and s106 agreements.

3.3.5 The Marble Arch Mound project will spend £6m which will be funded from earmarked reserves and will not impact the revenue outturn.

### **MTFP Savings**

3.3.6 The majority of MTFP savings within GPH are expected to be achieved, the savings that are currently not on track total £0.500m which relates to planning income, with a further £0.045m of the £0.100m saving on rental income from Intermediate Housing saving being re-profiled into 2022/23.

### **Risk and Opportunities**

3.3.7 At period 9 there are no further risks or opportunities reported within Growth, Planning and Housing.

### **3.4 Finance and Resources**

3.4.1 A net £0.600m favourable variance is reported for Finance and Resources at period 9 compared to a nil variance at period 6.

3.4.2 The change in forecast since period 6 is a result of the realisation of one-off contract savings of £0.400m within Corporate Property on the facilities management contract. This item was reported as an opportunity at period 6 and has now been realised.

3.4.3 The key overspends at period 9 are due to:

- an adverse variance of £0.350m within IT from a delay to the ongoing service review;
- an overspend of £0.100m within Procurement relating to staffing;
- a net £0.015m overspend in Coroner, Land Charges and Electoral Services due to an overspend in Coroners Services due to backlog in juror inquests, offset by underspends in Electoral services and Land Charges non-pay.

3.4.4 These overspends are offset by:

- a favourable variance of £0.660m within Treasury and Pensions for interest receivable, due to the average balances for the year to date achieving a 2% higher return on investment,
- a one-off rebate from the Facilities Management contract within Corporate Property of £0.400m.

3.4.5 In **Legal Services** local land charges income is reporting no variance which is an improvement of £0.030m on last month. This is due to expected additional income from a fees and charges review to be implemented from January 2022. From April 2021 to November 2021 compared to the most recent financial year pre-pandemic of 2019/20 the number of and income from searches is only 0.5% and £0.020m less. External Legal fees income is on target to budget.

3.4.6 **Corporate Property** currently expect to outturn in line with income budget. New Covid restrictions will however impact the economic sustainability of tenants and therefore may reduce future rents (and increase the associated bad debt). The Government has also recently announced that it will introduce new laws to resolve the remaining commercial rent debts arising from the pandemic. This may mean the Council would have to waive some or all rent arrears in certain situations.



## MTFP Savings

- 3.4.7 MTFP savings within Finance and Resources are expected to be achieved, except for £0.350m savings included within IT due to delays with the ongoing service review. This is reflected in the medium-term financial plan.

## Risks and Opportunities

- 3.4.8 **Corporate Property** - a new risk is reported for potential increases in rents payable backdated to include 2021/22 of c.£0.800m. The service will try to mitigate this through negotiations and by reviewing the service for alternative potential savings. A further risk of £0.020m was reported for electricity consumption as the council upgrades to air source heat pumps from traditional gas fired boilers and heating. The opportunity reported in period 6 relating to a rebate on the Year 1 fixed fee for the Facilities Management Contract has been realised and is now reported in the forecast variance.

## 3.5 Environment and City Management

- 3.5.1 As at period 9, Environment and City Management Directorate is forecasting an adverse variance of £3.110m (an adverse movement of £0.200m since period 6). The key driver of the reduction is the reduced parking income forecast following the onset of the Omicron variant.
- 3.5.2 Within the overall position the risk of £0.500m to Public Protection and Licensing has been realised resulting in a forecast under recovery of £1.213m. This has been offset by an improvement in Waste and Cleansing of £0.323m driven mostly by increased Commercial Waste income, and a further over recovery of £0.400m in Roads Management income within Highways.
- 3.5.3 The adverse variance of £3.110m is due to Covid-19 pressures (£4.004m) offset by non-Covid-19 related impacts of £0.894m. The variances and the drivers for changes in activity levels are detailed in the narrative below against each service area. A breakdown of the Covid-19 and non-Covid-19 forecast variances are also shown below:
- 3.5.4 **Community Services - £0.407m** (£0.532m Covid-19 and -£0.125m non-Covid-19) consisting of £0.567m income shortfall at Sayers Croft due to slow recovery of residential visits after lockdown, and £0.050m unbudgeted share of loss from deed of variation on leisure contract. These are partially offset by employee cost underspends of £0.010m at Sayers Croft and £0.050m in Parks, and an income over recovery in Cemeteries of £0.250m.
- 3.5.5 **Waste & Cleansing - £0.285m** (£0.112m Covid-19 and £0.173m non-Covid-19) Commercial Waste income under recovery has improved by £0.300m to £0.500m following strong sales activity, and over recovery on Special Collections remains at £0.044m. Waste & Cleansing shows an overspend of £0.250m due to food waste trial and consultants, however this is offset by a reduced spend in Commercial Waste stock £0.250m. The under recovery of Public Conveniences income has increased to £0.330m, but is offset by cost savings including the business rates underspend following legislation change £0.431m and employee cost underspend £0.070m.

### 3.5.6 **Parking - £1.905m (£3.360m Covid-19 and -£1.455m non-Covid-19):**

1. Covid-19 Impact £3.360m – This is comprised of Paid for Parking income shortfall £2.300m, Traffic Camera PCN's £0.750m, Motorcycle Parking £0.075m, and Car Clubs £0.300m offset by expenditure reductions -£0.065m.

2. Non Covid-19 Impact -£1.455m – This is comprised of Suspensions income - £1.450m, Marshal-issued PCNs -£0.750m, a pressure on Resident Permits £0.225m, and other net pressures £0.520m)

#### **Commercial Income**

The main variances on income are set out below:

3.5.7 **Parking – Paid for Parking** - The forecast variance at period 9 is £2.300m, 6% of the Full Year budget, an adverse movement of £0.550m from Period 6. This reflects a year-to-date deficit of £2.0m. Weekly activity improved at end November and beginning December to 4.5% below profile but fell substantially thereafter returning the monthly average to 6% below profile. This looks set to continue into January reflecting Working from Home guidance and impact of Omicron. Year To Date (YTD) transactions are 4,801,000; still up on 2020/21 by 34% and only 5% down on the prior year (2019/20 5,047,000). Activity forecast for the remainder of the year is 97% of profile.

3.5.8 **Parking – PCNs (Traffic Cameras)** - The Camera PCNs forecast deficit increased by £0.100m to £0.750m. Ticket issues were around 2,800 in December, the lowest seen this FY, reflecting reduced movement due to the Omicron wave but with issues also affected by a number of roadworks and emergencies affecting traffic flows. YTD total issues is 31,500 at period 9, expected to increase during Q4 with the new cameras having been installed in January, and giving a projected full year total 45,000 (down from 45,700 at P8). This compares to 39,000 for full year 2020/21 and 46,500 for 2019/20.

3.5.9 **Commercial Waste** - Commercial Waste income is forecasting to under-recover by £0.500m. This is a favourable movement of £0.300m from Period 6 reflecting strong bag sales through the autumn, although the rise of the Omicron variant and the government guidance to return to working from home did significantly impact on hospitality and footfall in Westminster.

3.5.10 Commercial Waste income to date is £9.17m which is £0.59m (6%) below the 2021/22 approved budget to date. Pre-covid income in 2019/20 was £14.07m at this point in the year meaning that income has fallen significantly due to covid and the impact on businesses in Westminster. While there has been some recovery from last year, as income was £5.860m at this point, income is unlikely to reach close to pre-covid levels this year due to business trading levels and reduced footfall in Westminster.

3.5.11 **Sayers Croft** - Income is now projected at £0.880m for the year, an adverse movement of £0.080m from prior forecast variance of £0.488m. Residential activity recovered steadily through the summer months; however, bookings have not recovered to pre-pandemic levels for the remainder of the year and a number of bookings remain unconfirmed.

- 3.5.12 **Roads Management** - An overall favourable £0.700m variance is projected at P9. This stems from Road Management activity levels which are continually exceeding pre pandemic levels. Period 9 activity levels are 20% higher compared to 2020/21 (3,531 licences issued in 2021/22 vs 2813 licences issued in 2020/21) and are 6% higher (3,531 licences issued in 2021/22 vs 3,329 licences issued in 2019/20) than pre pandemic levels which results in a projected favourable variance.
- 3.5.13 **Street Litter & Waste Fixed Penalty Notices (FPNs)** – A new forecast over recovery of £0.217m, as the Clean City initiative has resulted in a significant increase in FPNs issued from period 5 onwards.
- 3.5.14 **Street Trading and Tables and Chairs** – Income under recovery of £0.657m is forecast due to licensing fee waivers to traders who were categorised vulnerable or caring for vulnerable individuals in quarter 1; and to the two thirds of traders who in the past 18 months have surrendered their licences. Additionally due to the introduction of the Government’s Pavement Licensing regime during lockdown continuing to September 2022, under which the price of new/renewal applications is significantly reduced for Tables and Chairs.

#### **MTFP Savings**

- 3.5.15 The savings that are currently not on track total £0.848m. This comprises £0.250m undeliverable saving and £0.598m reprofiling. Savings of £2.565m are either on track or already delivered. These shortfalls are included in the position reported above and mitigated where possible, so no further impact to the forecast is expected.

#### **Risks and Opportunities**

- 3.5.16 The £0.500m risk presented at period 6 in respect of Public Protection and Licensing income has been realised, as reflected in Commercial Income forecasts above. There is a risk that commercial income may decline in the coming months due to further government restrictions as a result of the Omicron variant. The risk is yet not quantified at period 9 as activity levels are being reviewed but a clearer position will be known in period 10.

#### **Future Outlook**

- 3.5.17 Work is underway to understand what options are available for ongoing leisure provision and what financial impact this might have.
- 3.5.18 There is also significant uncertainty on the impacts of the pandemic on commercial income. The current projections assume a certain level of recovery following the pandemic. The forward projections are based on a number of assumptions and these projections could significantly change in case the impacts continue in the year, potential impacts of any future Government restrictions following the Omicron outbreak that may be imposed and the impact on economic recovery.

## 3.6 Children's Services

### Expenditure

- 3.6.1 Reported overspend of £1.800m, including £0.436m relating to Covid-19.
- 3.6.2 This is a positive movement of £0.305m since period 6 arising in the main from changes in Registrars and the Covid position.

### Afghan Resettlement

- 3.6.3 The Council has committed to supporting Afghans arriving as part of the Afghan Relocations and Assistance Policy (ARAP) and Afghan Citizens' Resettlement Scheme (ACRS). The support response is being coordinated across a number of areas across the Council including Housing, Adult Social Care, Children's Services and Westminster Employment Service – and the Council has established strategic and tactical groups to oversee governance and decision-making.
- 3.6.4 The Home Office announced a package of support measures for local authorities of up to £20,520 per person for those permanently settled, and £28 per person daily for the provision of wraparound services for those settled temporarily in bridging hotels – with the latter being provided to fund delivery of a range of services including healthcare, welcome and ongoing support, policing and security, safeguarding, and financial and employment support.
- 3.6.5 Around 640 Afghans are currently in bridging accommodation in a Westminster hotel, which is a net reduction of around 100 from its peak last year. A full decant must be completed by the end of March 2022 and those at the hotel will be prioritised for a move to permanent accommodation, or alternative bridging accommodation where this is not possible.
- 3.6.6 The Council is coordinating delivery of wraparound services to support those in bridging accommodation for as long as they remain in the borough. Forecast expenditure against the Home Office grant is £0.770m, which is the equivalent of around £8 per person per day.
- 3.6.7 The Department for Education (DfE) announced a national £12m education support package for children settled temporarily in hotels – and Westminster will receive £0.571m in the first tranche of allocations from the Afghan Resettlement (Education) Grant. Funding is being used to provide support to schools with education costs until the end of March, support with the transition to further education for 16-17 year-olds, and provision of early years childcare and education for eligible 2 year-olds and 3-4 year-olds. 158 primary-age children and 70 secondary-age children have been given places, and from April 2022 schools will receive per pupil funding for all children from the DfE based on the National Funding Formula (NFF) as part of their delegated budgets.
- 3.6.8 No General Fund pressures are expected to arise from these support arrangements.

### Education - £1.338m overspend

- 3.6.9 The position within the directorate (£0.068m) has increased on account of changes in SEN Transport and Short Breaks.

3.6.10 The overspend includes both general staffing pressures (£0.037m) and those arising from unachievable staffing savings (£0.141m) that are in the main reported as being permanently undeliverable. SEN Transport pressures (£0.451m) are also a factor.

3.6.11 Staffing continues to be a factor in Short Breaks both across the service (£0.090m) and in direct relation to growing demand for provision at the Tresham Centre (£0.336m). Pressures arising from care packages and direct payments (£0.180m) and building and equipment costs (£0.093m) account for the balance.

3.6.12 Growth to address in-year pressures and anticipated demand has been requested in next year's MTFP, and savings proposals focused on delivering both SEN Transport and Short Breaks differently are expected to mitigate some of the costs associated with new and changing demand.

#### **Family Services - £0.345m overspend**

3.6.13 Staffing pressures across the service (£0.664m), and those in Safeguarding (£0.104m) arising from unachievable staffing savings, continue to drive the variance. These are offset by net underspends elsewhere (-£0.423m).

3.6.14 Funding instructions for the emergency £3m contingency fund for Unaccompanied Asylum-Seeking Children (UASC) announced in June 2021 have now been issued and an application based on associated legal pressures included in the forecast is due to be submitted. For prudence, this income will continue to be reported as a risk until confirmed.

3.6.15 The number of Former UASC awaiting decisions dropped by around 50% recently with 40 or so cases now resolved and favourable outcomes reported in most part – however, the Council continues to face budget pressures arising from a shortfall in Home Office funding when compared to the cost of providing support.

#### **Registrars - £0.439m underspend**

3.6.16 Staffing pressures (£0.251m) and overspends on equipment (£0.067m) are mitigated by an overachievement of income (-£0.757m) from ceremonies, which is expected to continue into next year while the service catches up on pent-up demand from the pandemic.

#### **Libraries and Archives – £0.102m overspend**

3.6.17 The position includes the impact of undeliverable transformation savings (£0.244m), which are offset by staffing underspends (£0.125m) and smaller positive variances (£0.017m) across the service.

#### **COVID-19 - £0.436m overspend**

3.6.18 The position includes the cost of support for Former UASC and NRPf Care Leavers, paid in line with the Government's Universal Credit increase to September 2021 (£0.095m), plus other related pressures for families with no access to public funds (£0.224m). Delivery of the 1066 Project (£0.039m) is included, as is the income

shortfall in Libraries and Archives resulting from ongoing restrictions and low footfall (£0.078m). Expenditure will be charged against Government grants in most part.

- 3.6.19 Captured separately to the reported position is spend funded by the Covid Local Support Grant (£0.902m), which spans a number of departmental areas, and the new Household Support Fund.

### **Savings Pressures**

- 3.6.20 Undeliverable savings factored in above include staffing pressures in Safeguarding (£0.100m) and Education (£0.100m), MASH pressures (£0.050m) relating to partner activity, and pressures arising from streamlining contracts as part of Pre-Birth to Five Redesign (£0.065m).
- 3.6.21 Independent Travel Training (£0.050m) has been impacted by Covid-19, as have Libraries Transformation income targets (£0.244m). IT Case Management savings (£0.088m) will be reprofiled to reflect the new system's revised implementation date of April 2023.

### **Dedicated Schools Grant (DSG)**

- 3.6.22 The 2021/22 Dedicated Schools Grant (DSG) is £91.389m and has an in-year forecast overspend of £3.322m. Once the DSG reserves of £2.251m are taken account of there is a forecast £1.071m DSG deficit. The overspend is mainly due to increasing expenditure on pupils with Special Educational Needs and Disabilities (SEND). The scale of increase is higher than previously anticipated mainly due to an increasing number of pupils with Education Health and Care Plans (EHCPs) and increasing costs. The implementation of a new banded approach to top up payments for pupils with EHCPs has seen a significant increase in the funding for individual pupils.
- 3.6.23 Whilst an increase in funding was anticipated, the scale of the increase is higher than forecast. A sample review comparing the cost of provision with the allocated band has identified that the banding tool allocates a higher band and / or band value than is required.
- 3.6.24 In order to mitigate the pressure in 2022/23:
- Schools Forum are recommended to agree, a transfer of £0.618m from the 2022/23 schools block to the high needs block of the DSG at their meeting on 20th January 2022.
  - Discussions are taking place with the banding tool provider regarding amending system so that the correct amount is paid.
  - Following a verbal update at Schools Forum on 20 January and discussion at the Forum's High Needs Review Group in February, recommended options to amend the banding tool system will be taken to the March 2022 Schools Forum to be enacted from April 2022.

## **3.7 Innovation and Change**

- 3.7.1 At period 9, Innovation and Change is reporting an underspend of £0.440m against the budget of £12.788m. This is a change of £0.215m from the £0.225m underspend variance reported last month.



- 3.7.2 The £0.440m underspend is from an over-achievement of non-pay efficiencies in Communications £0.080m, an underspend on salaries £0.125m after a recent review of the service, £0.226m net over-recovery of income from City Promotions, Events and Filming, offset by an overspend in that service on other non-pay budgets £0.021m and underspend of £0.125m in Lord Mayor's Office from part year vacancies. These are offset by a net overspend of £0.095m reported in Cabinet and Committee Services which is largely from an overspend on staffing of £0.190m from additional posts added to the structure after a recent review offset by an underspend on allowances £0.045m and on other non-pay underspends £0.050m.

### **Commercial Income**

- 3.7.3 There is a reported net under-recovery of income of £0.030m from Outdoor Media. There were approved budget pressure adjustments to income targets in City Promotions, Events and Filming of £2.760m reflecting reduced income as a result of the pandemic on advertising and other service events. Currently the expected scenario for Outdoor Media is that there is a minimum guaranteed income through the current arrangement and the business rates are being covered as part of this revenue share agreement. For 'The Flame', the scenario is for income from July 2021 to December 2023 to be at the same level as experienced in October 2020 and for an assumed 50:50 share in the last quarter of the year.
- 3.7.4 The Events and Filming budget was adjusted to take into account of the predicted cancellation of some large events. There is however forecast additional income in Events and £0.256m in mostly one-off commercial income from events associated with the Euro 2020 competition fan zones and applications.

### **MTFP Savings**

- 3.7.5 Of the MTFP savings targets totalling £0.945m, all have been achieved from a combination of post deletions and other non-pay budget spend reductions.

### **Risks and Opportunities**

- 3.7.6 Net risks of £0.415m have been identified. This includes a £0.400m risk relating mainly to additional posts within Strategy and Intelligence, for which the source of funding is yet to be identified in addition to a risk of £0.055m in Cabinet and Committee Services for IT costs subject to funding confirmation. There is an opportunity reported on funding being explored for part of the salary overspend in Cabinet and Committee services £0.040m.

## 4. HRA

4.1 At the end of period 9 the Housing Revenue Account is forecasting a net favourable variance to budget of £2.209m. However, a £0.500m risk to commercial property income has been highlighted due to the ongoing impact of Covid alongside the potential of additional legal costs.

|                         | Full Year Budget (£m) | Full Year Forecast (£m) | Full Year Variance (£m) | Risks Identified Period 8 (£m) | Opps Identified Period 8 (£m) | Projected Variance inc. Opps and Risks Period 8 (£m) |
|-------------------------|-----------------------|-------------------------|-------------------------|--------------------------------|-------------------------------|------------------------------------------------------|
| Housing Revenue Account | 0.855                 | (2.209)                 | (3.064)                 | 0.625                          | -                             | (2.439)                                              |

4.2 The projected £2.209m surplus on the Housing Revenue Account is driven by a net favourable forecast of £3.064m versus the budgeted deficit of £0.855m. This is made up as follows:

- Property Services - £2.165m favourable variance (salaries and repairs underspends offset by additional communal electricity and asbestos costs)
- Customer Services and Digital - £0.153m favourable variance (salary underspend and TMO Allowances)
- Neighbourhoods - £2.581m favourable variance (additional water / drainage / sewage and security costs offset by salary underspend alongside additional service charge and lease extension income)
- Housing Innovations and Improvements £0.033m favourable variance (salaries)
- Regeneration £0.071m adverse mainly due to Ebury Council Tax and additional costs.
- General HRA - £1.796m adverse variance (under recovery of commercial property income, increase in the bad debt provision, COVID costs and redundancy costs resulting from the service restructure).
- The dwelling income under-recovery risk identified as part of the business plan refresh has been mitigated within existing budgets, with a budget realignment actioned to reflect this. The additional leasehold service charge income (covered under Neighbourhoods above) is currently forecast at £1.235m following the half yearly billing actualisation process.

4.2.1 Most of the variances noted above include an element of underspend against salaries budgets. The overall underspend on staff costs across the whole HRA is currently forecast to be £2.740m (including salary capitalisation). It is anticipated that recruitment will pick up speed once the service redesign exercise is complete. The full cost of the restructure (including redundancies) is estimated to be £0.500m.



## 5. Capital Budget 2021/22

### Overview

5.1.1 The table below summarises the Council's budget and forecast position on the 2021/22 capital programme, which reflects a projected £10.571m net variance.

| ELT                                                   | 2021/22<br>Expenditure<br>Budget<br>£m | 2021/22<br>Income<br>Budget<br>£m | 2021/22<br>Net Budget<br>£m | 2021/22<br>Expenditure<br>Forecast<br>£m | 2021/22<br>Income<br>Forecast<br>£m | 2021/22<br>Net<br>Forecast<br>£m | 2021/22<br>Expenditure<br>Variance<br>£m | 2021/22<br>Income<br>Variance<br>£m | 2021/22<br>Net<br>Variance<br>£m |
|-------------------------------------------------------|----------------------------------------|-----------------------------------|-----------------------------|------------------------------------------|-------------------------------------|----------------------------------|------------------------------------------|-------------------------------------|----------------------------------|
| Adult's Services                                      | 0.568                                  | (0.468)                           | 0.100                       | 0.568                                    | (0.468)                             | 0.100                            | -                                        | -                                   | -                                |
| Children's Services                                   | 17.681                                 | (14.808)                          | 2.873                       | 16.524                                   | (13.851)                            | 2.673                            | (1.157)                                  | 0.957                               | (0.200)                          |
| Growth, Planning and Housing                          | 75.357                                 | (22.317)                          | 53.040                      | 73.229                                   | (17.363)                            | 55.866                           | (2.128)                                  | 4.954                               | 2.826                            |
| Environment and City Management                       | 75.739                                 | (31.002)                          | 44.737                      | 57.665                                   | (21.290)                            | 36.375                           | (18.074)                                 | 9.712                               | (8.362)                          |
| Finance and Resources                                 | 46.099                                 | (15.088)                          | 31.011                      | 38.965                                   | (14.028)                            | 24.937                           | (7.134)                                  | 1.060                               | (6.074)                          |
| Westminster Builds inc. Luton Street                  | 63.199                                 | (7.213)                           | 55.986                      | 63.501                                   | (5.938)                             | 57.563                           | 0.302                                    | 1.275                               | 1.577                            |
| Projects Funded from Flexible Use of Capital Receipts | 0.795                                  | 0.000                             | 0.795                       | 0.457                                    | 0.000                               | 0.457                            | (0.338)                                  | -                                   | (0.338)                          |
| <b>Total for Council</b>                              | <b>279.438</b>                         | <b>(90.896)</b>                   | <b>188.542</b>              | <b>250.909</b>                           | <b>(79.938)</b>                     | <b>177,971</b>                   | <b>(28.529)</b>                          | <b>17,958</b>                       | <b>(10.571)</b>                  |

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

| Project Grouping                | 2021/22<br>Variance to Budget<br>£m | Comments                                                                                                                                                                                                                                                                                                                                                                                                           |
|---------------------------------|-------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Ceremonial Streetscape          | (6.055)                             | Issues outside of the control of WCC such as access to land to commence works and material availability due to general shortage in the construction industry has resulted in re-profiling of this scheme to future years                                                                                                                                                                                           |
| Landlord Responsibilities       | (2.500)                             | Condition Surveys have been commissioned which will inform the programme of future Landlord Responsibilities works. Until this is completed the majority of works that are being taken forward are those that were already underway at the end of 2020/21 or those considered to require urgent attention. It is therefore considered prudent to re-profile at least £2.5m of the current allocation into 2022/23. |
| Street Cleansing Zero Emissions | (1.424)                             | Infrastructure works are needed to allow charging of vehicles; these works have been delayed due to the need to find an alternative site. As a result, further orders for vehicles will not be placed until works have been completed. A decision has been made to trial one type of new vehicle for a year before purchasing in bulk which has caused slippage.                                                   |

|                                            |         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|--------------------------------------------|---------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Waterloo and Golden Jubilee Bridge         | (1.362) | There are a number of stakeholders involved in the Waterloo Bridge HVM scheme, engagement from these stakeholders has delayed the initial start date. Start date is now proposed for later in 2021/22 and the scheme is expected to continue into 2022/23. Golden Jubilee Footbridge Improvements works have now received a revised programme start date due to lack of material availability and will be reprofiled across into 2022/23.                                                                                                                        |
| Seymour Leisure Centre                     | (1.350) | Due to the need to further review options, £1.350m spend on Seymour Leisure Centre needs to be reprofiled from 21/22 to 22/23.                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Villiers Street Public Realm               | (1.296) | As a consequence of a longer than expected consultation period, this has led to a delay in the programme delivery and the project will now commence in Q4 of 21/22.                                                                                                                                                                                                                                                                                                                                                                                              |
| Future City Management                     | (1.254) | The capital programme has undergone revision with updated outcomes in line with PP&L's savings targets and objectives. The IT and equipment projects within the programme are to be delivered over a two-year period.                                                                                                                                                                                                                                                                                                                                            |
| Placeshaping Schemes                       | (1.138) | Placeshaping Schemes are forecasting an underspend of £1.138m due to reprioritisation of key staff resource within the Placeshaping Team to address the Council's response to the pandemic which has led to a reprofiling of activity. This contributes to the underspends of £0.606m on Victoria Place Plan and £0.805m on other Placeshaping schemes. There is also an overspend of £0.273m on the Harrow Road Place Plan due to unforeseen Highways costs on Maida Hill Market. This will be brought forward from 22/23 budgets and covered from contingency. |
| Church Street Good Growth Fund             | (1.114) | Underspend due to delays in procurement of contractor, estimated to be completed in July 2022                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Digital Transformation                     | (0.943) | Digital Transformation Capital budget has been aligned with Smart Cities and CED programmes, the growth of the area has been found outside the capital programme, the balance after the scheduled programmes for 2021/22 of £0.943m will be moved into 2022/23                                                                                                                                                                                                                                                                                                   |
| Safeguarding for Community Primary Schools | (0.800) | Reprofiling to 22/23. Due to COVID-19 there has been a delay in design and development plans.                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |

|                                             |                 |                                                                                                                                                                                                                                                                                                                                                                                                              |
|---------------------------------------------|-----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Planned Preventative Maintenance – Highways | (0.655)         | We are currently working with IT colleagues to design a suitable solution which will allow us to give a more accurate picture of the network and will allow us to deliver the associated MTFP saving                                                                                                                                                                                                         |
| Waste Containers                            | (0.650)         | Phases 3 and 4 of the food waste containers have been slightly delayed and will be delivered in the early part of 2022/23. As a result, this budget will be required in 2022/23                                                                                                                                                                                                                              |
| Royal Albert Hall HVM                       | (0.630)         | Fully externally funded - Scheme is now at practical completion stage and this is an overall project underspend as a result of a risk and contingency factored into the original budget.                                                                                                                                                                                                                     |
| Rough Sleepers Accommodation Programme      | 0.655           | A programme to purchase 10 units of accommodation has been provisionally agreed with the GLA. This programme would result in 3 purchases completing in March 2022, with the remainder by the end of June 2022. GLA are contributing £1.31m in total towards this project, with the WCC contribution totalling £0.874m. The full (£0.874m net) WCC budget for this forms part of the proposed 2022/23 budget. |
| <b>Total</b>                                | <b>(19.167)</b> |                                                                                                                                                                                                                                                                                                                                                                                                              |

5.1.3 At the end of 2020/21, the total spend was £132.309m in comparison to a forecast of £250.909m for 2021/22. The increase in expenditure suggests that projects are slowly progressing as we emerge from the pandemic.

## 5.2 Housing Revenue Account – Capital

5.2.1 The HRA capital budget and forecast position is summarised in the tables below.

| Expenditure Type                 | Budget<br>£'000 | Forecast P6<br>£'000 | Forecast P9<br>£'000 | Budget<br>Variance<br>£'000 | Forecast<br>Movement<br>£'000 |
|----------------------------------|-----------------|----------------------|----------------------|-----------------------------|-------------------------------|
| Housing Planned Maintenance      | 43,042          | 43,268               | 38,008               | (5.034)                     | (5.032)                       |
| Housing Regeneration             | 82,119          | 85,812               | 80,159               | (1.960)                     | (2.335)                       |
| Other Projects                   | 40,009          | 41,874               | 41,608               | 1.599                       | (0.878)                       |
| <b>Total Capital Expenditure</b> | <b>165,170</b>  | <b>170,955</b>       | <b>159,776</b>       | <b>(5.395)</b>              | <b>(8.245)</b>                |

## 5.3 Full Year Forecast against Full Year Budget

5.3.1 At the end of period 9, the forecast gross capital expenditure outturn for the HRA is £159.776m resulting in a total budget variance of £5.395m compared to the budget of £165.170m. This budget variance is made up of Housing Planned Maintenance of (£5.034m), Regeneration of (£1.960m) and Other Projects of £1.599m.

5.3.2 The significant reasons for the underspend are as follows:

## 5.4 Housing Planned Maintenance

| Component                        | Full Year Budget<br>£'000 | Forecast P6<br>£'000 | Forecast P9<br>£'000 | Budget variance<br>£'000 | Forecast Movement<br>£'000 |
|----------------------------------|---------------------------|----------------------|----------------------|--------------------------|----------------------------|
| Electrical & Mechanical Services | 5,036                     | 5,035                | 4,856                | (180)                    | (179)                      |
| Voids and Aids & Adaptations     | 4,640                     | 5,864                | 5,864                | 1,224                    | 0                          |
| Fire Precaution Programmes       | 8,104                     | 7,613                | 5,875                | (2,229)                  | (1,737)                    |
| Major Works                      | 21,342                    | 20,620               | 18,089               | (3,253)                  | (2,531)                    |
| Other Schemes*                   | 3,920                     | 4,135                | 3,324                | (596)                    | (811)                      |
| <b>Total</b>                     | <b>43,042</b>             | <b>43,268</b>        | <b>38,008</b>        | <b>(5,034)</b>           | <b>(5,260)</b>             |

\*Includes Minor Works, Pimlico District Heating Unit (PDHU), Climate action, Asset management & Condensation

- 5.4.1 At period 9 there is a projected underspend of (£5.034m) compared to budget primarily within the Fire precaution programme within BAU and Major works.
- 5.4.2 The project includes: Front doors installation programme but delayed due to leaseholder consultations.
- 5.4.3 Wharncliffe Gardens window start date moved to January for further consultation with the Resident Association.
- 5.4.4 Torridon House Fire Risk Assessment and Façade works with delay during the design stage for the service provider due to logistics and complex nature of removing the front elevation of an occupied building and the outstanding building control application has not been discharged.
- 5.4.5 Regency & Semeley Fire Risk Assessment and Ventilation works had a delay in design which has impacted the delivery of the project, but this has now been resolved and is back on track. Westbourne Park has experienced material delayed via service providers supply chain; a revised programme of works has been submitted, reviewed and accepted, as a result there is momentum back on site.
- 5.4.6 However, there is a potential risk of overspend within Voids and Aids and Adaptations due to increase in average cost of Voids, the poor standard of returned property, increases in Occupational Therapy referrals caused by the ageing population, increased number of community support Housing units and Regeneration.

## 5.5 Regeneration

- 5.5.1 At period 9 there is a forecast underspend of (£1.960m) compared to budget. The decrease is due to programme reprofiling, However, there was a further decrease in forecast from period 6 due to contractors revised payments scheduled for Ebury, Cosway and Ashbridge.
- 5.5.2 There is an estimated overspend of £3.600m in Church Street Acquisitions due to an increased number of acquisition units from Westminster Community Homes for tenants in situ. There is an overspend estimated of £0.081m at Carlton Dene due to earlier staff recharges than had been profiled in the overall budget. This will not impact the overall project.

5.5.3 There is an underspend on Ebury of (£4.563m) due to delay in early works caused by the delay in contract agreement by the service provider and changes in the scope of demolition.

5.6 **Other Projects**

5.6.1 At period 9 there is a forecast overspend of £1.599m compared to budget due to self-finance acquisition commitment higher than estimated. The decrease in forecast from period 6 is due to project within the small site contractors tender cost return being higher than the estimated project cost, the cost is currently under review, but the programme is reprofiled to reflect the anticipated delay.

## 6. Council Tax and Business Rates

### 6.1 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 up to the month May 2021 for unpaid bills and reduced cash receipts, from June 2021 the council started recovery actions process and hope for a speedy stable recovery.

### 6.2 Collection Rates

As at December 2021 Council Tax collection rate to date is 78.7% which is 0.7% lower than the same month last year. The Business Rates collection rate for December 2021 is 74.5%, which is 0.4% lower than the same month last year. • The backlog surrounding courts 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 courts are fully functioning and restrictions are further eased.

### 6.3 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): £111m
- Gross Business Rates (Including GLA & Central Government share): £2.3bn

However, the Council only retains £182m of this income (Council Tax £62m and Business Rates £120.5m) for its own use. If there is a reduced business rates income as witnessed through Covid the maximum the Council can lose is £6.8m, reducing the 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 2021.

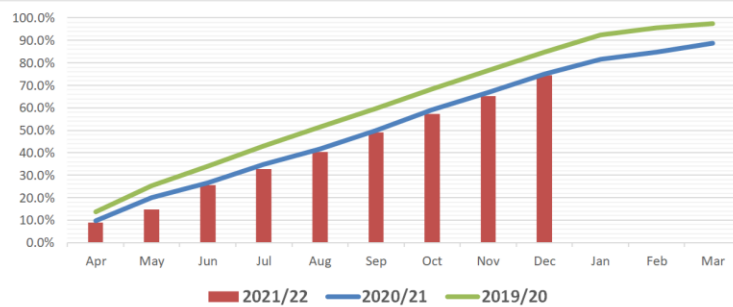
|                | December 2021<br>Collection Rate | December 2020<br>Collection Rate | December 2019<br>Collection Rate | Difference |
|----------------|----------------------------------|----------------------------------|----------------------------------|------------|
| Business Rates | 74.5%                            | 74.9%                            | 84.8%                            | -0.4%      |
| Council Tax    | 78.7%                            | 79.4%                            | 85.4%                            | -0.7%      |

## BUSINESS RATES

## Revenues Dashboard - December 2021

### Current Year Bills - Collection Rates

|     | 2019/20 | 2020/21 | 2021/22 |
|-----|---------|---------|---------|
| Apr | 13.6%   | 9.7%    | 9.0%    |
| May | 25.4%   | 19.9%   | 14.6%   |
| Jun | 34.1%   | 26.7%   | 25.5%   |
| Jul | 42.9%   | 34.7%   | 32.7%   |
| Aug | 51.5%   | 41.8%   | 40.5%   |
| Sep | 59.6%   | 49.8%   | 49.2%   |
| Oct | 68.3%   | 59.1%   | 57.3%   |
| Nov | 76.5%   | 66.7%   | 65.3%   |
| Dec | 84.8%   | 74.9%   | 74.5%   |
| Jan | 92.5%   | 81.6%   |         |
| Feb | 95.5%   | 84.8%   |         |
| Mar | 97.6%   | 88.8%   |         |



Collectable Balance £1,726m

Amount Collected £1,285m

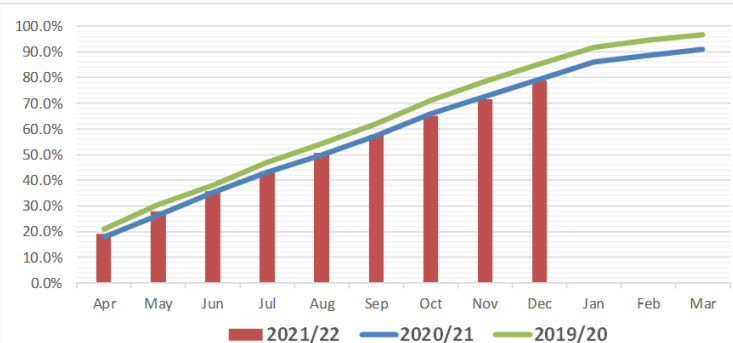
Balance Owing £440m 25.5%

## COUNCIL TAX

## Revenues Dashboard - December 2021

### Current Year Bills - Collection Rates

|     | 2019/20 | 2020/21 | 2021/22 |
|-----|---------|---------|---------|
| Apr | 20.9%   | 17.9%   | 19.0%   |
| May | 30.5%   | 26.4%   | 27.8%   |
| Jun | 38.1%   | 35.3%   | 35.6%   |
| Jul | 47.0%   | 43.3%   | 43.3%   |
| Aug | 54.4%   | 50.0%   | 50.6%   |
| Sep | 62.1%   | 57.3%   | 57.6%   |
| Oct | 71.1%   | 66.0%   | 65.1%   |
| Nov | 78.5%   | 72.6%   | 71.6%   |
| Dec | 85.4%   | 79.4%   | 78.7%   |
| Jan | 91.9%   | 86.1%   |         |
| Feb | 94.5%   | 88.7%   |         |
| Mar | 96.7%   | 91.1%   |         |



Collectable Balance £115.9m

Amount Collected £91.2m

Balance Owing £24.7m 21.3%

The table above shows that there are improvements in collection rates for business rates and council tax compared to previous months.

Business rates collection has shown positive signs of improvement, not at the level seen in 2020/21, however major improvements have been recorded compared to the first 3 months of this financial year where there was an adverse difference in rates compared to last year of 6.7%, whereas its only -0.4% as at period 9.

Council Tax recovery has surpassed the rates reported last year, especially in the first 3 months. As at period 9 we are reporting a reduction of 0.7% compared to collection rate last year.

## 6.4 Appendix 1 – Key Income Streams

| Major Income Streams with Losses          | Outturn<br>£m  | Budget<br>£m   | Outturn<br>£m  | Variance<br>£m | Full Year Budget<br>£m | Full Year Forecast<br>£m | Full Year Variance<br>£m | 21/22 Forecast v 20/21 Budget Variance<br>£m | Changes since Period 6<br>£m |
|-------------------------------------------|----------------|----------------|----------------|----------------|------------------------|--------------------------|--------------------------|----------------------------------------------|------------------------------|
| Parking - Paid for Parking                | 38.749         | 39.866         | 30.456         | 9.410          | 39.721                 | 37.421                   | 2.300                    | (2.445)                                      | 0.550                        |
| Paid for parking - Motorcycles            | 0.616          | 0.625          | 0.394          | 0.231          | 0.625                  | 0.550                    | 0.075                    | (0.075)                                      | (0.000)                      |
| Parking Penalty charge notices - Marshals | 14.234         | 14.429         | 9.558          | 4.871          | 14.929                 | 15.679                   | (0.750)                  | 1.250                                        | (0.600)                      |
| Parking Penalty charge notices - Cameras  | 3.412          | 5.483          | 2.915          | 2.568          | 4.083                  | 3.333                    | 0.750                    | (2.150)                                      | 0.100                        |
| Parking - suspensions and dispensations   | 24.194         | 21.772         | 17.564         | 4.208          | 19.530                 | 20.980                   | (1.450)                  | (0.792)                                      | 0.050                        |
| Parking - Resident Permits                | 4.336          | 4.471          | 4.491          | (0.021)        | 4.562                  | 4.337                    | 0.225                    | (0.134)                                      | 0.225                        |
| Parking - Trade Permits                   | 1.163          | 1.320          | 1.079          | 0.241          | 1.320                  | 1.370                    | (0.050)                  | 0.050                                        | 0.000                        |
| Commercial Waste                          | 18.684         | 18.199         | 7.684          | 10.515         | 13.720                 | 13.220                   | 0.500                    | (4.979)                                      | (0.300)                      |
| Licensing (top two income streams)        | 3.252          | 3.650          | 1.641          | 2.009          | 3.050                  | 2.548                    | 0.502                    | (1.102)                                      | 0.502                        |
| Road Management                           | 9.470          | 8.810          | 8.644          | 0.166          | 9.102                  | 9.802                    | (0.700)                  | 0.992                                        | (0.400)                      |
| Community Services                        | 3.487          | 5.974          | 0.113          | 5.861          | 1.374                  | 0.880                    | 0.494                    | (5.094)                                      | 0.006                        |
| Registrars                                | 2.152          | 2.302          | 1.261          | 1.041          | 2.252                  | 2.651                    | (0.399)                  | 0.349                                        | (0.000)                      |
| Planning                                  | 6.159          | 7.336          | 4.867          | 2.469          | 7.142                  | 4.642                    | 2.500                    | (2.694)                                      | 0.400                        |
| City Promotions, Events and Filming       | 4.971          | 4.810          | 0.830          | 3.980          | 2.050                  | 2.132                    | (0.082)                  | (2.678)                                      | (0.463)                      |
| Local Land Charges                        | 1.579          | 1.794          | 1.105          | 0.689          | 1.444                  | 1.444                    | 0.000                    | (0.350)                                      | (0.030)                      |
| Property Income - General Fund            | 28.029         | 30.333         | 30.946         | (0.613)        | 30.651                 | 30.651                   | 0.000                    | 0.318                                        | 0.000                        |
| Court costs recovery income               | 0.000          | 1.908          | 0.000          | 1.908          | 1.908                  | 1.908                    | 0.000                    | 0.000                                        | 0.000                        |
| <b>Total</b>                              | <b>164.487</b> | <b>173.080</b> | <b>123.549</b> | <b>49.531</b>  | <b>157.460</b>         | <b>153.546</b>           | <b>3.914</b>             | <b>(19.534)</b>                              | <b>0.039</b>                 |



|                              |                                                                                                                                     |
|------------------------------|-------------------------------------------------------------------------------------------------------------------------------------|
| <b>Date:</b>                 |                                                                                                                                     |
| <b>Classification:</b>       | General Release                                                                                                                     |
| <b>Title:</b>                | 2021/22 Quarter 3 performance report                                                                                                |
| <b>Wards Affected:</b>       | All                                                                                                                                 |
| <b>City for All Summary:</b> | This report gives progress update assessments against organisational performance, including progress toward City for All objectives |
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## 1. Executive Summary

**1.1.** This performance report summarises the Council’s performance and progress at the end of Quarter 3 2021/22. It presents the latest cumulative results available for each key performance indicator (KPI) at the end of Quarter 3 where possible (October–December 2021). Availability of figures for some KPIs vary and may not align to the quarterly performance reporting cycle. In these cases, the latest position available is reported.

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

- Headline messages including top achievements, issues, risks and KPIs at Quarter 3.
- Summary of the 2021 City Survey results
- Top pressures for the Council and emerging risks
- Summary of the latest Covid-19 impacts to date.

The appendix contains more detailed performance information by directorate (achievements, issues, KPIs and risk).

## 2. Recommendations

**2.1.** Committee to note the performance updates at Quarter 3.

**2.2.** Committee to indicate any areas where they require more information or clarification.

# Quarter Three Performance Report – 2021/22

## 1. Headline Achievements

This section highlights the Council's headline achievements over Quarter 3. The Council's key achievements across all services can be read in more detail in the appendix.

### **Newly commissioned 0-5 Health Visiting and Early Help service**

A new integrated Health Visiting and Early Help service, based on shared management and co-location, is due to launch in April 2022. This team will jointly deliver the 0-5 Healthy Child Programme as well as providing whole-family targeted support. The launch of this new service follows the conclusion of a competitive procurement which awarded the health visiting contract to Central London Community Healthcare NHS Trust (CLCH).

The new service will include an additional targeted offer to work with parents in greater need through the integrated staff team. This will include 21 face-to-face visits per family over a 12-month period and will use a systemic trauma-informed practice model.

The overarching strategic aims for the new service are to:

1. Improve school readiness, with a particular focus on communication.
2. Strengthen our targeted offer of support for vulnerable communities, incorporating special educational needs and disabilities (SEND), attachment and parenting.
3. Identify need and intervene earlier.

The move to a single delivery model and integrated workforce will enable us to deliver a more efficient service across the pathway at a reduction of £2.048m to the contract value over the five-year contract term. This equates to an average annual saving of £410k for Westminster from the original annual contract value.

### **Tackling Youth Unemployment - Kickstart Programme**

Westminster City Council's participation in the DWP Kickstart scheme has resulted in the Council creating over 100 new job opportunities for unemployed 16–24-year-olds with local employers. To date, twenty-five Westminster residents have joined the City Council's workforce via Kickstart making it the most successful scheme to date to increase the number of residents joining the Council's workforce with residents accounting for 100% of new.

There are just under 900 18-24 year olds claiming out of work benefits in Westminster. 96% of young people joining the Council via Kickstart identify as BAME. Furthermore, 12% have declared a disability, 12% are young mothers and 12% are Care Leavers. Already, 11 have progressed from their Kickstart roles into onward roles with the Council and 1 with a Council supplier. Westminster Employment Service will continue to support those that joined the Council and do not find a job immediately after their employment ends, for a period of up to 12 months.

From February, our new Youth Employment Co-ordinator will undertake positive engagement with schools, youth clubs and further education providers to promote and inform of the Westminster Employment Service, to seamlessly steer young people at risk of falling out of education, in year 10 and upwards, to our service.

### **Public Sector Commercial Fleet of the Year Award for the waste service**

The waste service received the award for the journey taken from fitting EminoX technology to reduce CO<sub>2</sub> emissions by 89% on our current diesel fleet, robustly testing prototype hydrogen and electric powered waste vehicles, and the leading role we have taken alongside Veolia in developing the market for new electric waste and cleansing vehicles.

### **Westminster Innovation Challenge**

Westminster Innovation Challenge launched to the public, staff and schools, with media coverage. Significant engagement – 200 staff, over 80 members of the public. This also included engagement externally with 7 different community organisations that are hard to reach groups, including Young people, Over-65's and digitally excluded communities. This has concluded in 247 applications. Work is currently being undertaken to review these with results expected next quarter.

### **Resident's Research Panel**

As part of WCC's approach to developing City for All 22/23, we have conducted four discussion groups with the Youth Council and residents who signed up to be part of the Residents Research Panel. This marks the first time that Westminster has conducted a Resident Research Panel and resident and formal business engagement has played a role in developing City for All. Businesses and residents expressed their desire to be more involved in our strategy development and had both positive and productive feedback for us.

The team in Strategy and Intelligence have also been working closely with the new Communities team who helped enable the resident focus groups to happen. The Communities team have been actively involved in the resident panels and provided great insights for how we can improve City for All engagement in the future. Going into 2022 the Communities team will continue to be involved in ensuring comprehensive engagement around City for All.

### **Commended for the SFJ Awards Impact Award for Connecting Your People to Virtual Learning in the Public and Third Sector**

This award recognises organisations across the private, public and third sector that best demonstrate how their Learning at Work Week activities helped connect their people to virtual learning. The award highlights employers who are providing exceptional, accessible digital training opportunities to all and recognises those who have gone above and beyond during this national learning campaign.

Our event was the most successful Learning at Work Week to date with 22 workshops and an increase in attendance by 125% from the previous year. We used the opportunity of this week to collaborate with various colleagues across different service area and staff networks, such as Children's Services and the B.A.M.E. network, to create workshops that would support colleagues in career and personal development goals.

## 2. City Survey Results (2021)

This section summarises the high-level findings from the 2021 Westminster City Council City Survey, which has been conducted annually since 2002.

### Methodology

Between late September and October, 2,406 residents (aged 16+) were interviewed face-to-face by an independent research company, Lake Market Research. Interviews also took place in randomly selected sample points, to ensure a good geographical spread of interviews across Westminster.

In 2020, due to the impact of Covid-19, interviews were still carried out face-to-face, but the number of surveys conducted was reduced to 1,038. With restrictions lifting, and to ensure significance at ward level, the number of respondents is being returned to 2,406.

(To note: For 2021, the new ward boundaries (for 18 wards) which come into effect in May 2022 will be used).

### Headline results (key measures)

- 86% of respondents were satisfied with the way the Council is running the city – 18 percentage points above the LGA's national average for June 2021 and in line with results from 2020 (86%)
- 65% of respondents agreed the Council gives local people good value for money – 3 percentage points lower than 2020 and 16 percentage points above LGA's national average for June 2021
- 60% of respondents thought the Council keeps residents well informed about its services and benefits – 10 percentage points lower than 2020 and on par with LGA's national average for June 2021
- 60% of respondents agreed with the statement “the Council does enough for people like me” – 8 percentage points lower than in 2020
- 58% of respondents felt that the Council is open and transparent – 7 percentage points lower than 2020
- 49% of respondents agreed that the Council involves them in decisions it makes about their local area – 8 percentage points lower than in 2020.

### Positive findings

- Overall resident satisfaction with how the Council is running the city remains very high, is unchanged from last year and is significantly higher than the national average.

- After a dip in 2020, satisfaction with many core council services has increased. In particular, satisfaction with road and pavement maintenance has bounced back and now exceeds 2019 levels.
- Concern about a range of factors, including economic wellbeing and health, has decreased significantly from last year and in many cases has more than halved. The number of respondents who said they felt comfortable financially has also increased, though remains below 2019 levels.
- After a slight dip in 2020, the number of residents taking proactive steps for the benefit of the environment has improved, with most figures significantly higher than pre-pandemic levels.
- Overall concern about community issues has generally decreased relative to 2020. For example, problems with vandalism and youth violence have dropped considerably. The majority of residents continue to feel safe in the area where they live.
- Digital inclusion has improved considerably across the borough. The number of respondents who do not access the internet at home or at work has halved from 8% to 4%, whilst 94% of respondents have at least one confident internet user in their household.

### **Areas for attention**

- The number of residents who feel informed about the Councils' services and benefits has declined significantly and is now on par with the LGA national average.
- Feelings that the Council is open and transparent, does enough for people like me, and involves residents in decisions have decreased significantly. Feelings that the Council cares enough about its vulnerable residents have also decreased substantially in comparison to both 2020 and 2019 levels.
- The most common perceived problems in residents' local areas were people using or dealing drugs, people begging on the streets and noise from building sites. The number of residents encountering issues related to commercial properties and deliveries to residential properties has also increased.
- Less than half of respondents said they were concerned about climate change.
- Despite the operational challenges faced by the Council during the pandemic resident satisfaction with our core city services remains high. Four of the five services that are tracked in the survey every year showed improved resident satisfaction compared to the previous year.

### 3. Top pressures faced by the Council

This section presents our top pressures, which have been informed by the Council's top risks and issues.

#### Cost of Living and Fuel Poverty

The cost of living is increasing due to a combination of increased inflation and planned tax increases which will mean average take-home pay is likely to fall over the coming year. This will disproportionately impact those on lower incomes and could lead to extra pressure on frontline and support services. The Strategy and Intelligence team will be monitoring this situation carefully and analysing further to understand which households will be most impacted and by how much.

Over the coming months, there is growing pressure on the cost of living due to:

- An increase in the energy price cap to be announced on 7 February 2022 and brought into effect in April. The Bank of England expects the caps to increase from their current level by 20% for electricity and 35% for gas, leading to year-on-year energy inflation rates of 31% and 58% respectively in April. Current estimates are that this will amount to a rise of around £500 per annum for a typical household bill, on top of October's £139 increase.
- National Insurance contributions increase by 1.25% as of 6 April 2022, (to be spent on the NHS and social care).
- The Bank of England forecasting inflation to peak at 6% in April 2022.
- Future price rises outstripping pay growth, with real wages set to be no higher at the end of 2022 than they were at the start.
- Benefits are set to rise by 3.1% - last September's inflation rate. But by April inflation will be about 6%. So the poorest are heading for a 3% year-on-year cut in their real benefit levels and living standards.

The effects of energy price rises will vary across different income groups, and these cost rises are likely to be regressive impacting those on lower incomes more. Within Westminster, around 30% of households (c.38,000 households) earn below the UK median wage of c.£33,000.

Modelling the impacts of the energy price changes (estimated to be c£500p/a) using our Low-Income Family Tracker (LIFT), we estimate that these changes will push around 1500 vulnerable households in Westminster into a category of deepened financial distress:

- 1% will move from 'at risk' to 'in crisis' (the most severe type of financial difficulty, at risk of arrears/eviction)
- 5% from 'struggling' to 'at risk'
- 2% from 'coping' to 'struggling'
- The immediate risk would be those households who move into in crisis, which is an additional c.100 households.

## **Covid-19**

Vaccination rates of over 18s of the first dose are largely unmoved at 70%, with 66% of people receiving two doses. This remains one of the lowest vaccination rates but is part driven by inflated GP patient lists. The overall number of deaths in Westminster over the last quarter has remained within the 5-year long-term average. However, in London, death levels have exceeded the long-term averages over the past few months.

Hospital Occupancy continues to be high, creating pressure to discharge rapidly while the acuity of need for those discharged also increases. North-West London (NWL) are the highest performing area on discharges, and locally the department is managing discharges well, however significant mitigation and resources are directed to ensure that this continues including operating a 7 day service, weekend discharge hubs, daily NWL sitrep calls, twice weekly senior management reviews. Daily social care operational and commissioning liaison meetings are also taking place to ensure there is enough capacity in the homecare and care home market to facilitate discharge.

This in turn is having an impact on wider performance and financial pressures. The Local Authority can claim 4 weeks of care post discharge, but the acuity of people leaving hospital is higher and NHS placements made tend to be made at higher cost, which then defaults to the LA after 4 weeks. 2022/23 financial pressure could be more significant if NHS funding is not continued.

## **Economy**

The number of people present in Westminster continues to be tracked as it has major repercussions for businesses, as well as council services such as waste and parking. Despite some promising signs in November, mobility decreased significantly as a result of the Omicron variant and announcement of Plan B on 8<sup>th</sup> December 2021 (which included advice to work from home). This decrease was disproportionately greater in the City compared to the rest of London and the UK.

Westminster's shortfall in retail and recreation mobility worsened from -33% on 8<sup>th</sup> December 2021 to -47% on 23<sup>rd</sup> December 2021. As of Friday 7<sup>th</sup> January 2022, mobility in Westminster was down 60%. By comparison, mobility was down 27% in Greater London and down 24% nationally (*source Google*). Despite the Christmas shopping period and other incentives, the impact of Omicron and introduction of Plan B has limited the extent to which retail and recreation mobility can recover to previous levels, particularly in Central London.

Throughout the pandemic, the shortfall in workplace mobility has always been greater in London than the national average. Prior to the announcement of Plan B, the shortfall in workplace mobility in both Greater and Central London was very similar. However, following new advice to work from home, these values became decoupled – workplace mobility decreased by a greater extent in Central London and Westminster than in Greater London. In Westminster specifically, workplace mobility decreased from -37% on 8<sup>th</sup> December to -66% on 23<sup>rd</sup> December. As of Friday 7<sup>th</sup> January 2022, workplace mobility was down 50% in Westminster and Central London, 42% in Greater London and 30% across England, on average.

At the end of November 2021, spending was almost level with pre-pandemic baseline levels from March 2020 (-1% as of 29<sup>th</sup> November; Mastercard data). Yet, proportional recovery in spend was the third worst of any London local authority. There is still a long way to go until Westminster recovers from the 20+ months of underperformance felt by the business community.

For the Council, shortages of materials and consequential increased materials costs continue to impact all development projects. The Construction Leadership Council is now warning that there is a strong likelihood of a latent worsening of the situation due to Omicron-related factory closures / reduced productivity. Transport resource is also impacting supply to sites. Additionally, there are warnings of imminent further price increases for energy-intensive products (bricks, blocks, concrete, steel, glass) due to the unprecedented increases in the cost of energy.

Labour costs and shortages are also continuing to impact the development programme. The situation is borne out of Brexit, Omicron and the increased number of construction projects which all started at a similar time (the “end” of Lockdown). The volatile labour market is causing issues for programming, quality and costs across the sector.



### 3.1 Top risks and new risks raised this quarter

The table below shows the highest scoring risk for each directorate at quarter three. Further detail, including information on impact, current and future controls, is available in the appendix of the report.

| Risk title and description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Directorate                       | Score (out of 25) |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|-------------------|
| <b>Financial risk due to COVID 19 and uncertainty regarding future government funding</b><br>The 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 activity in 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. | Finance & Resources               | 25                |
| <b>Widening Health Inequalities</b><br>Local data shows a widening of health inequalities. This is the gap in life expectancy between the most and least deprived areas in the borough, and there is a risk that health inequalities continue to widen.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Adult Social Care & Public Health | 16                |
| <b>Flooding</b><br>There is a risk of flooding by fluvial or surface water flooding.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Environment and City Management   | 16                |
| <b>Building Regulations - Part B &amp; Draft Building Safety Bill</b><br>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" has been extended to cover many more 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 for safety cases for council and private sector properties.                                                                                                                                                                                                                                                                                                          | Growth, Planning & Housing        | 15                |
| <b>High pressure on our short breaks service</b><br>Provision of short breaks is a statutory duty. Increased referrals for short break services puts pressure on our team's capacity and on funding (some of which comes from our High Needs Block).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Children's Services               | 12                |

The table below shows the new risks which have been raised in quarter three.

| Risk title and description                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Directorate                       | Score (out of 25) |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|-------------------|
| <b>Additional Mandatory Vaccination Regulation for Health and Social Care Staff - Addition of Home Care Workforce</b><br>Further legislative changes expanding the number of staff expected to be compliant with vaccination. Health and Social Care staff including Home Care staff required to be vaccinated before April 2022 in order to continue to work in the sector.                                                                                                                             | Adult Social Care & Public Health | 12                |
| <b>Afghan Evacuees</b><br>The ongoing placement of refugees from Afghanistan in the borough, many who have been offered protection under the Locally Employed Scheme, has created an ongoing risk in terms of demand on frontline services. While demand for school placements has been successfully met, there continues to be a high level of need for these vulnerable families as they settle in the UK. Risks relate to potential demand on both safeguarding services and more universal services. | Children's Services               | 6                 |

## 4.1 Overachieving KPIs

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

| Directorate KPIs<br><i>(Aspirational target positions are provided in the descriptions below for each KPI)</i> |                                                                                                                                                     | Q2 2021/22 position | 2021/22 ideal target | Quarter 3 result and target assessment |                  |
|----------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|----------------------|----------------------------------------|------------------|
| <b>ADULT SOCIAL CARE &amp; PUBLIC HEALTH</b>                                                                   |                                                                                                                                                     |                     |                      |                                        |                  |
| 1                                                                                                              | Community champions - number of community champions active                                                                                          | 84                  | 80                   | 90                                     | Exceeding target |
| 2                                                                                                              | Stop smoking services – number of 4 week quits                                                                                                      | 270                 | 200                  | 526                                    | Exceeding target |
| <b>CHILDREN'S SERVICES</b>                                                                                     |                                                                                                                                                     |                     |                      |                                        |                  |
| 3                                                                                                              | Number of referrals to social care                                                                                                                  | 416                 | 500                  | 432                                    | Exceeding target |
| 4                                                                                                              | Number of Looked after children                                                                                                                     | 166                 | 181                  | 176                                    | Exceeding target |
| 5                                                                                                              | % increase in real and virtual visits to libraries                                                                                                  | 11.3%               | 3%                   | 34%                                    | Exceeding target |
| 6                                                                                                              | Increased proportion of Education, Health and Care assessments which are completed within 20 weeks, excluding exceptions                            | 98%                 | 100%                 | 100%                                   | Exceeding target |
| <b>ENVIRONMENT AND CITY MANAGEMENT</b>                                                                         |                                                                                                                                                     |                     |                      |                                        |                  |
| 7                                                                                                              | % of carriageway and footway defects repaired or made safe within 24 hours                                                                          | 99%                 | 98%                  | 100%                                   | Exceeding target |
| 8                                                                                                              | % of women accessing specialist domestic abuse services who report a reduction in abuse                                                             | 88%                 | 75%                  | 92%                                    | Exceeding target |
| 9                                                                                                              | Number of vulnerable residents supported to continue living in their homes                                                                          | 462                 | 500                  | 672                                    | Exceeding target |
| 10                                                                                                             | % of licensed premises that are safe and well managed following a single inspection                                                                 | 100%                | 90%                  | 100%                                   | Exceeding target |
| 11                                                                                                             | Number of emergency planning exercises completed                                                                                                    | 9                   | 7                    | 15                                     | Exceeding target |
| <b>FINANCE &amp; RESOURCES</b>                                                                                 |                                                                                                                                                     |                     |                      |                                        |                  |
| 12                                                                                                             | No. of major business impact priority 1 incidents per quarter (critical/major system being completely down which could affect more than 100 people) | 1                   | 18                   | 2                                      | Exceeding target |
| 13                                                                                                             | Unpaid sundry debt over 30+ days                                                                                                                    | 10%                 | 16%                  | 8%                                     | Exceeding target |

| Directorate KPIs<br><i>(Aspirational target positions are provided in the descriptions below for each KPI)</i> |                                                                                               | Q2 2021/22<br>position  | 2021/22 ideal<br>target | Quarter 3<br>result and target assessment |                  |
|----------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|-------------------------|-------------------------|-------------------------------------------|------------------|
| 14                                                                                                             | Increase in total income generated from the Council's investment portfolio                    | £5,645,970m<br>Q2 21/22 | 2% increase<br>per year | 3% increase per year                      | Exceeding target |
| 15                                                                                                             | Less than 4% of calls abandoned (Agilisys)                                                    | 7%                      | 5%                      | 1.5%                                      | Exceeding target |
| <b>GROWTH, PLANNING AND HOUSING</b>                                                                            |                                                                                               |                         |                         |                                           |                  |
| 16                                                                                                             | % of 'major' planning applications determined within 13 weeks i.e. larger scale development   | 83%                     | 70%                     | 86%                                       | Exceeding target |
| 17                                                                                                             | % of 'non-major' planning applications determined within 8 weeks                              | 77%                     | 73%                     | 77%                                       | Exceeding target |
| <b>PEOPLE SERVICES</b>                                                                                         |                                                                                               |                         |                         |                                           |                  |
| 18                                                                                                             | % of staff turnover is managed at appropriate benchmark levels (excluding redundancies)       | 11%                     | 12%                     | 11%                                       | Exceeding target |
| 19                                                                                                             | % of BAME employees in senior leadership roles (band 5 and above)                             | 24%                     | 22%                     | 26%                                       | Exceeding target |
| 20                                                                                                             | % of apprenticeship starts in relation to the public sector target of 2.3% of total headcount | 19%                     | 18%                     | 11%                                       | Exceeding target |

#### 4.2 KPIs 'off track' at Quarter 2 2021/22 that have since improved to 'target on track' or 'minimum standard met'

The table below provides an update on KPIs that were missing their target at the end of the last quarter that have now improved.

| Directorate KPIs<br><i>Ideal target positions are provided in the descriptions below</i> |                                            | Q2 2020/21<br>result and target assessment |                  | Q3 2021/22<br>result and target assessment |                  | Service commentary                                                                                                                      |
|------------------------------------------------------------------------------------------|--------------------------------------------|--------------------------------------------|------------------|--------------------------------------------|------------------|-----------------------------------------------------------------------------------------------------------------------------------------|
| <b>FINANCE AND RESOURCES</b>                                                             |                                            |                                            |                  |                                            |                  |                                                                                                                                         |
| 1                                                                                        | Less than 4% of calls abandoned (Agilisys) | 7%                                         | Target off track | 1.5%                                       | Exceeding Target | Performance for this quarter has been good and has met target. This is a combined result for the 'in and out of hours' contact centres. |

#### 4.3 Underperforming KPIs

The indicators presented below are critical to the Council's performance and have been highlighted for the attention of the committee. **Please see the appendix for detail on the full list of KPIs and top risks from each directorate.**

| Directorate KPIs                           |                                                                                                                     | Q2 result | Q3 ideal target | Q3 21/22 result | Target assessment | Service commentary                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Mitigating actions to manage KPI performance                                                                                                                                                                                                                                                                                                                                                    |
|--------------------------------------------|---------------------------------------------------------------------------------------------------------------------|-----------|-----------------|-----------------|-------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>ADULT SOCIAL CARE AND PUBLIC HEALTH</b> |                                                                                                                     |           |                 |                 |                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                 |
| 1                                          | Total number of new permanent admissions to residential/nursing care of people aged 65 years and over (cumulative)  | 78        | 93              | 112             | Target off track  | Changes in the Discharge to Assess guidance issued by the NHS/Government has had an adverse impact on this KPI. Hospitals are discharging high numbers of residents directly into the care home setting leaving little scope for the department to divert to the community pathway.                                                                                                                                                                                                        | Funding for 4 weeks has been provided by the NHS until April 2022 to offset some financial pressure.                                                                                                                                                                                                                                                                                            |
| 2                                          | % of children who receive a 2-2.5-year developmental review                                                         | 60%       | 70%             | 49.5%           | Target off track  | There has been a drop of approximately 25% since 2020/21. In Q2 2021/22, 54% of children received a 2-2.5 year developmental review from the health visiting service, which is below the 2020/21 London average of 63.3% and the national average of 71.5%.                                                                                                                                                                                                                                | Public Health commissioners continue to work with the provider to improve this target. The health visiting service returned to face-to-face reviews from November 2021, for all families which is expected to increase performance.                                                                                                                                                             |
| <b>CHILDREN'S SERVICES</b>                 |                                                                                                                     |           |                 |                 |                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                 |
| 3                                          | % of Looked After Children placed in foster care (internal and external fostering agencies, including kinship care) | 56%       | 65%             | 57%             | Target off track  | The factor impacting the most upon this target would be the age profile of the current LAC cohort. The LAC cohort is currently made up of a high number of young people aged 16 or over (93-56%) of which almost half are placed in semi-independent accommodation (44 of 93). 73% (32 of 44) of those placed in Semi-independent accommodation are also UASC which accounts for 62% of the current UASC cohort (52).                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                 |
| 4                                          | % of appointments to register births available within 5 days of enquiry                                             | 32%       | 95%             | 87%             | Target off track  | This is an improving position from 83% in October, achieving 90% in November and December, and should be seen in the wider context of Covid and higher-than-average demand for ceremonies. Additional birth appointments have been set up for January to deal with the backlog due to Christmas closures, although we are expecting higher than normal no shows and cancellations as parent decide to delay registration due to the emerging situation with Covid and new Omicron variant. | The system issues have been resolved which has allowed a return to registration processes. The team are working hard to create additional appointment slots, which should be easier as the demand for ceremonies abates slightly over the Autumn and Winter period. We should therefore start to see an improvement in our performance on offering birth registration appointments with 5 days. |

| Directorate KPIs                       |                                                                                                                             | Q2 result | Q3 ideal target | Q3 21/22 result | Target assessment | Service commentary                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Mitigating actions to manage KPI performance                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|----------------------------------------|-----------------------------------------------------------------------------------------------------------------------------|-----------|-----------------|-----------------|-------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 5                                      | % of surplus school placements in Westminster primary schools                                                               | 21%       | 10%             | 22.3%           | Target off track  | We are working with schools to address surplus primary school capacity and assist with their financial management.                                                                                                                                                                                                                                                                                                                                                                             | Two schools are planning to reduce their pupil admission numbers in 2022 and 2023, and there is an ongoing consultation to amalgamate two primary schools, which if implemented will further reduce pupil admission numbers by one form of entry.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| 6                                      | % of children re-registered on a child protection plan (cumulative position over current FY)                                | 22%       | 10%             | 17%             | Target off track  | Although the year to date figure is 17%, which exceeds the target, the majority of these re-registrations were in the first two quarters of the year. Quarter 3 performance shows re-registrations of only 1 of 28 (3%). This shows that rates are improving, and should re-registration rates remain lower, we will be within the target range within the end of the year.                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>ENVIRONMENT AND CITY MANAGEMENT</b> |                                                                                                                             |           |                 |                 |                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| 7                                      | % of urgent lighting defects made safe within agreed timescale                                                              | 99%       | 98%             | 77%             | Target off track  | We received 600 additional seasonal jobs above that which is normally experienced in this period. These additional jobs included lamp column mounted sensors, power and camera jobs, so resources were stretched, which meant we were unable to meet our target for this quarter.                                                                                                                                                                                                              | We are working through the backlog of requests and expect to clear outstanding jobs and meet our target in Q4.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| 8                                      | Number of hazards removed from residential dwellings which pose a serious and immediate threat to people's health or safety | 132       | 375             | 191             | Target off track  | The pandemic has restricted officers in carrying out physical visits to inspect conditions, which has led to a reduction in hazard identification and enforcement action Staff normally engaged in this area of work have been pulled across to deliver outbreak management priorities at different stages throughout the year, which also impacts on this target.<br>The service has also undergone a review this year with an increased focus on licensing of Houses in Multiple Occupation. | With the easing of restrictions, and the resumption of normal service delivery, outputs around removal of housing hazards will return to normal levels.<br>The launch of the Additional Licensing scheme has also resulted in a significant volume of applications in the initial months. These are being progressed and will result in a significant number of improved properties, and removal of hazards, in the coming months which will offset reductions seen this year.<br>There is however a need to review service targets in light of the introduction of the Additional Licensing scheme, so that anticipated targets are realistic. This review is ongoing and will result in new service targets for the next performance year. |

| Directorate KPIs             |                                                                                                                              | Q2 result                | Q3 ideal target | Q3 21/22 result | Target assessment | Service commentary                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Mitigating actions to manage KPI performance                                                                                                                                                                                                                                                                                                                                                               |
|------------------------------|------------------------------------------------------------------------------------------------------------------------------|--------------------------|-----------------|-----------------|-------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                              |                                                                                                                              |                          |                 |                 |                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Removal of Cat 1's will therefore not be reflected until compliance inspections take place 6-12 months from licence issue date. Non-compliance will result in financial penalties.                                                                                                                                                                                                                         |
| 9                            | Number of Houses of Multiple Occupation (HMOs) improved (buildings with more than one household including shared facilities) | 14                       | 65              | 21              | Target off track  | Proactive inspections of many larger HMO properties were paused at various stages during 21/22 in line with Covid risk assessments. This has had a knock-on effect in current levels of performance for the year.                                                                                                                                                                                                                                                                         | With the easing of restrictions, we will see the resumption of normal service delivery, and a proactive inspection programme is planned for Q4. There is however a need to review service targets in light of the introduction of the Additional Licensing scheme, so that anticipated targets are realistic. This review is ongoing and will result in new service targets for the next performance year. |
| <b>FINANCE AND RESOURCES</b> |                                                                                                                              |                          |                 |                 |                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                            |
| 10                           | Variance between budget and full year forecast                                                                               | £4.7m overspend as at P6 | <£5m underspent | £8,550,000      | Target off track  | The forecast variance has increased by £1.650m since period 6. The main movement is the £2.550m reprofiling of Collaborative Savings (previously reported as a risk). Furthermore, there has been an improved variance of £0.100m in Adult Social Care, £0.600m in Finance and Resources, £0.100m in Children's Services and £0.100m in Innovation and Change compared to period 6. Projected variance including risks is now £10.150m. This is an improvement of £2.000m since period 6. | The use of grants will continue to be explored to apply to eligible expenditure by year-end and to reduce overspends where possible.                                                                                                                                                                                                                                                                       |
| 11                           | Stage 2 complaint responses despatched within 20 working days                                                                | 72%                      | 75%             | 61%             | Target off track  | The Housing service was impacted by staff absences/sickness during Q3. This was compounded by the number of flood related complaints that progressed to S2 in Q3. There has also been some delays caused by the sign-off process.                                                                                                                                                                                                                                                         | Staffing is expected to be back to normal levels in Q4, although there is a potential for it to be impacted again due to Covid. The end-to-end process continues to be reviewed                                                                                                                                                                                                                            |

| Directorate KPIs                      |                                                                                                   | Q2 result | Q3 ideal target | Q3 21/22 result | Target assessment | Service commentary                                                                                                                                                                                                                                                                                                  | Mitigating actions to manage KPI performance                                                                                                                                                                                 |
|---------------------------------------|---------------------------------------------------------------------------------------------------|-----------|-----------------|-----------------|-------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 12                                    | Percentage of staff who have completed mandatory data protection & cyber security online training | 58%       | 90%             | 58%             |                   | The staff who have carried out training is below the minimum target threshold. 42% of staff have failed to complete Cyber Security/Data Protection within 12 months. Directorates showing low completion rates include Growth, Planning and Housing (54%), Children's Services (49%) and Innovation & Change (47%). | Intervention is needed by senior management to ensure staff complete Cyber Security and Data Protection training (set on IBC as mandatory). IT will also explore sending of reports direct to Senior Management.             |
| <b>GROWTH, PLANNING &amp; HOUSING</b> |                                                                                                   |           |                 |                 |                   |                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                              |
| 13                                    | % satisfaction with repairs service                                                               | 77%       | 84%             | 75%             | Target off track  | Satisfaction with the repairs service has dropped because of the Covid-19 lockdowns and the time that residents have had to wait for their non-essential repairs to be completed.                                                                                                                                   | Our contractors are making appointments for all of these repairs, resulting in a period of catch-up. This is well underway and being progressed as quickly as possible.                                                      |
| <b>INNOVATION AND CHANGE</b>          |                                                                                                   |           |                 |                 |                   |                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                              |
| 14                                    | Residents feel informed about plans for your local area                                           | 66%       | 69%             | 59%             | Target off track  | Residents who didn't feel informed about plans for the local area tended to be generally dissatisfied, working age, working full time, no disability, and just about managing financially.                                                                                                                          |                                                                                                                                                                                                                              |
| 15                                    | Residents feel informed about services and benefits                                               | 70%       | 69%             | 60%             | Target off track  | Despite missing this target, satisfaction with the Council remains very high. Residents who didn't feel informed hadn't seen Council comms and tended to be working age, no disability, not carers and just about managing financially.                                                                             |                                                                                                                                                                                                                              |
| <b>PEOPLE SERVICES</b>                |                                                                                                   |           |                 |                 |                   |                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                              |
| 16                                    | Increase the number of women in senior leadership roles (band 5 and above)                        | 46%       | 48%             | 46%             | Target off track  |                                                                                                                                                                                                                                                                                                                     | ELT commitment to ensure equity and equal opportunities for all band 5 appointments. This will include ELT attendance at every band 5 and above interview. Analysis of pay gap information will inform detailed action plan. |
| 17                                    | Positive action - % of Band 4+ roles which have BAME candidate on the shortlist                   | 89%       | 97%             | 90%             | Target off track  | Confirmation received that all non-compliant roles were discussed with Chief Executive and were acceptable in the circumstances. There has been positive movement on the positive action metrics in Q3                                                                                                              | ELT agreed to redouble efforts in this area including stopping band 4 + appointment as and where appropriate and restarting.                                                                                                 |

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

### Health Impacts

Since December, case rates across England have increased rapidly. Despite this increase, infections in Westminster have been amongst the lowest in the London; at the end of the first week of January they were the second lowest in London. Deaths over the past 6 months from Covid-19 have remained low, especially in care settings.

At present, 56% of 12+ and 71% of 50+ residents in Westminster have had two doses of the vaccine. 32% of the 12+ population have had their booster (or 3<sup>rd</sup> vaccine). Its important to note that 61.5% of those eligible who have had a second vaccination have received a booster.

Vaccination uptake in the population has been observed to decrease with age. 82.7 % of those aged 80 plus have now received a first vaccination, 79.8% have received two vaccinations and 70% have received a booster.

This compares to 37.61% of those aged 12-18 who have received a first vaccination and 11.71% who have had a second dose. It is important to note in this interpretation that the roll out for vaccinations for younger cohorts including 12–15-year-olds has been more recent, and many are only just becoming eligible for a second dose following the national 12-week duration between dose one and two.

### Economy

The number of people present in Westminster continues to be tracked as it has major repercussions for businesses, as well as council services such as waste and parking. Despite some promising signs in November, mobility decreased significantly as a result of the Omicron variant and announcement of Plan B on 8<sup>th</sup> December 2021 (which included advice to work from home). This decrease was disproportionately greater in the City compared to the rest of London and the UK.

Westminster's shortfall in retail and recreation mobility worsened from –33% on 8<sup>th</sup> December 2021 to –47% on 23<sup>rd</sup> December 2021. As of Friday 7<sup>th</sup> January 2022, mobility in Westminster was down 60%. By comparison, mobility was down 27% in Greater London and down 24% nationally (*source Google*). Despite the Christmas shopping period and other incentives, the impact of Omicron and introduction of Plan B has limited the extent to which retail and recreation mobility can recover to previous levels, particularly in Central London.

Throughout the pandemic, the shortfall in workplace mobility has always been greater in London than the national average. Prior to the announcement of Plan B, the shortfall in workplace mobility in both Greater and Central London was very similar. However, following new advice to work from home, these values became decoupled – workplace mobility decreased by a greater extent in Central London and Westminster than in Greater London. In Westminster specifically, workplace mobility decreased from -37% on 8<sup>th</sup> December to -66% on 23<sup>rd</sup> December. As of Friday 7<sup>th</sup> January 2022, workplace mobility was down 50% in Westminster and Central London, 42% in Greater London and 30% across England, on average.

At the end of November 2021, spending was almost level with pre-pandemic baseline levels from March 2020 (-1% as of 29<sup>th</sup> November; Mastercard data). Yet, proportional recovery in spend was the third



worst of any London local authority. There is still a long way to go until Westminster recovers from the 20+ months of underperformance felt by the business community.

### **Labour Market (latest figures published in Dec 2021, relate to Nov 2021)**

Overall claimant rates have continued to fall in Quarter 3, a period which included the ending of the furlough scheme in September. However, between October- November the fall was slower than at end time since May-June.

The overall claimant rate of 4.5%, (8200) people compare to 6.2% at peak unemployment (Feb 2021) and 2.0% pre-pandemic.

Youth unemployment also continues to fall. The no of claimants aged 18-24 stands at 970, dipping below the 1000 mark for the first time since April 2020. The modelled unemployment estimates for 18-24's now stands at 7.5% (down from 12.4%) at the peak in February 2021. Youth unemployment is falling faster than for other age-groups - since Feb 2021 the numbers of claimants aged 18-24 has fallen by 39% - compared to 26% across all age groups, with Females have been finding it easier to regain employment.

Within London, Westminster's claimant rate remains lower than average, ranked 26<sup>th</sup> highest of the 33 boroughs. Falls in claimant counts are in line with London averages.

Nationally, job vacancies have continued to rise, November's figures of 1.22m compares to 1.04m previously reported in August. All industries (except for gas & electricity supply) have seen growth in vacancies from September to November compared to the previous quarter.

Available labour market projections made in December were somewhat pessimistic due to the activation of Government's Plan B in response to the Omicron variant. However, the reduced health severity of the variant, and the passing of peak infections in some part so the UK (London's infection rate fell from an estimated 9% to 8% in mid-January) (source ONS sample estimates), have resulted in the easing of some restrictions (e.g., around travel and isolation periods), so it is likely that some sectors have now weathered the worst of the labour market impacts.

# Appendix – Directorate Performance

Detailed performance information for each council  
Directorate area.

# Adult Social Care and Public Health

## Achievements

### Autism Strategy

The Adults Autism Strategy, Changing Lives: Shaping our Autism journey together 2021-2024 has been developed as phase 2 of the 'All Age Autism Strategy 2020' and is focused on the challenges and experiences of Autistic Adults.

The strategy has been co-produced with over 200 autistic residents and their families with support from teams across the Council. North-West London Clinical Commissioning Group, local voluntary sector organisations, businesses and cultural venues were also key contributors. The document has been laid-out by in line with best practice for autistic readers. The text is in a clear font, with muted colours, limited photographs of faces and purposeful imagery.

The strategy is designed to help autistic residents, their families, professionals and wider public services and business. It contains practical tips, real life experiences and case studies, alongside commitments on how things can be improved and criteria that success will be measured against.

### Community Vaccine Champions

In December 2021 Public Health applied for a grant for a Community Vaccine Champions programme. The bid was successful, and the local authority has secured £485,000 funding from the Department for Levelling Up, Housing and Communities (DLUHC).

The DLUHC sponsored 'Community Vaccine Champions' scheme will be delivered from 17th January 2022 and work alongside current community engagement initiatives to promote vaccine uptake amongst underserved and hesitant communities in areas with low uptake rates focused on:

- Understanding further local barriers and needs e.g. Training, supervision and incentivising volunteers to support outreach and have one-to-one tailored contact to understand needs and barriers to vaccinations and respond accordingly.
- Building on the existing community engagement infrastructure and develop new networks of champions to promote Covid-19 vaccine take up.
- Developing and deliver practical solutions such as recruiting Community Champions, as well as provision of funding to local organisations e.g. training on Health Coaching, becoming vaccinators and having challenging conversations to tackle misinformation, clarify messaging and restore trust.
- Coordinating activities through partnership work e.g. Strengthening links with Primary Care Networks (PCN) including primary care, community, mental health, link workers, social prescription service and local pharmacies to improve clinical support, and access and engagement with health-inclusion groups, with data-sharing agreements.

## **Issues**

Hospital occupancy continues to be high, creating pressure to discharge rapidly while the acuity of need for those discharged also increases. North-West London (NWL) is the highest performing area on discharges, and locally the department is managing discharges well, however significant mitigation and resources are directed to ensure that this continues including operating a 7-day service, weekend discharge hubs, daily NWL sitrep calls, twice weekly senior management reviews. Daily social care operational and commissioning liaison meetings are also taking place to ensure there is enough capacity in the homecare and care home market to facilitate discharge.

This in turn is having an impact on wider performance and financial pressures. The Local Authority can claim 4 weeks of care post discharge, but the acuity of people leaving hospital is higher and NHS placements made tend to be made at higher cost, which then defaults to the LA after 4 weeks. 2022/23 financial pressure could be more significant if NHS funding is not continued.

## Key Performance Indicators

The table below presents the latest cumulative outturns available for each KPI at Quarter 3 (October 2021 – December 2021).

### Adult Social Care

|                                 |                                                                                                                                                                                                                                                           |                                      |                                                                                                                                                                                                                                                                     |
|---------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Target range definitions</b> | <b>Minimum</b> The minimum level for the KPI that will still allow the service to deliver<br><b>Ideal</b> A level which is acceptable for service continuity<br><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<br><b>Exceeding target</b> Exceeded ideal target level<br><b>Target on track</b> On track to meet the ideal target level<br><b>Minimum standard met</b> Met the minimum target below ideal level |
|---------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

| Key performance indicator                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Q2 position | 2021/22 target ranges |   |       |   | Position at Q3 | Target assessment | Other contextual insight |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|-----------------------|---|-------|---|----------------|-------------------|--------------------------|
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |             | Minimum               | → | Ideal | → |                |                   |                          |
| 1. % of carers (caring for an adult) who have received an assessment or review of their needs (cumulative)                                                                                                                                                                                                                                                                                                                                                                                                                         | 49%         | 77%                   | → | 87%   | → | 92%            | 68%               | Target on track          |
| 2. % of service users receiving an assessment/review (cumulative)                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | 43%         | 80%                   | → | 90%   | → | 95%            | 65%               | Target on track          |
| <b>Service commentary:</b> Department are confident that the ideal target level will be achieved by Q4. Rate has been slightly impacted by recruitment difficulties which have been overcome. High level of activity is traditionally completed in Q4 and as reviews are annual and a high number of reviews will be scheduled for this time.                                                                                                                                                                                      |             |                       |   |       |   |                |                   |                          |
| 3. Total number of new permanent admissions to residential/nursing care of people aged 65 years and over (cumulative)                                                                                                                                                                                                                                                                                                                                                                                                              | 78          | 105                   | → | 95    | → | 85             | 112               | Target off track         |
| <b>Service commentary:</b> Changes in the Discharge to Assess guidance issued by the NHS/Government has had an adverse impact on this KPI. Hospitals are discharging high numbers of residents directly into the care home setting leaving little scope for the department to divert to the community pathway. Funding for 4 weeks has been provided by NHS until April 2022 to offset some financial pressure.<br><b>Mitigating action:</b> Funding for 4-6 weeks has been provided by the NHS to offset some financial pressure. |             |                       |   |       |   |                |                   |                          |
| 4. Average number of homecare hours per week in the month                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | 19,294      | N/A                   | → | N/A   | → | N/A            | 19,070            | N/A                      |
| <b>Service commentary:</b> Additional homecare activity data provided to demonstrate volume of care being provided. This is a monitoring measure and therefore does not have a target or desired direction of travel but changes in hours can be an indication of demand for service. The figure is not cumulative.                                                                                                                                                                                                                |             |                       |   |       |   |                |                   |                          |

Public Health – Please note that Public Health indicators are latest available (Q2) and are only available in lag due to the reporting cycle.

| Key performance indicator                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 19/20 Position | Q1    | 2021/22 target ranges |         |                   | Position at Q2 | Target assessment | Other contextual insight                                                                                                                                                                                                         |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|-------|-----------------------|---------|-------------------|----------------|-------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                |       | Minimum               | → Ideal | → Aspirational    |                |                   |                                                                                                                                                                                                                                  |
| 5. Community champions - number of community champions active                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 77             | 84    | 70                    | → 80    | → 90              | 90             | Exceeding target  | Updated Q2 performance. This is the latest information on the 7/1/22                                                                                                                                                             |
| 6. Stop smoking services – number of 4 week quits                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 1,107          | 270   | 150                   | → 200   | → 250 (quarterly) | 526            | Exceeding target  | Updated Quarter 2 figure. This is the latest data as of 7/1/22. Performance figure provided is cumulative.                                                                                                                       |
| 7. % of alcohol misusers in treatment, who successfully completed treatment and did not re-present within 6 months                                                                                                                                                                                                                                                                                                                                                                                                    | 36.92%         | 37.6% | 30%                   | → 35%   | → 40%             | 33.95%         | Target on track   | There is a reporting lag with the Public Health Outcomes Framework indicator. The information provided, in Q2 is for individuals who successfully completed treatment in Jun20 - May21 and did not re-present in June to Nov 21. |
| 8. % of children who receive a 2-2.5-year development review                                                                                                                                                                                                                                                                                                                                                                                                                                                          | 68.5%          | 60%   | 65%                   | → 70%   | → 75%             | 49.5%          | Target off track  |                                                                                                                                                                                                                                  |
| <p><b>Service commentary:</b> There has been a drop of approximately 25% since 2020/21. In Q2 2021/22, 54% of children received a 2-2.5 year developmental review from the health visiting service, which is below the 2020/21 London average of 63.3% and the national average of 71.5%. Public Health commissioners continue to work with the provider to improve. The health visiting service returned to face-to-face reviews from November 2021, for all families which is expected to increase performance.</p> |                |       |                       |         |                   |                |                   |                                                                                                                                                                                                                                  |
| 9. Total routine contraception delivered through e-services                                                                                                                                                                                                                                                                                                                                                                                                                                                           | N/A            | 158   | TBC                   | → TBC   | → TBC             | 213            | N/A               | This is the Q2 Figure. This indicator was introduced in November 2020. (No target was set for the initial year. Discussion is required about what level of activity we would be putting forward as a target).                    |

## Top scoring directorate risks

| 1. Widening Health Inequalities                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Current Score: 16 |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|
| Local data shows a widening of health inequalities. This is the gap in life expectancy between the most and least deprived areas in the borough, and there is a risk that health inequalities continue to widen. |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                   |
| Score history                                                                                                                                                                                                    | <p>A horizontal line chart showing a score of 16 for five consecutive quarters: Q3 20/21, Q4 20/21, Q1 20/21, Q2 21/22, and Q3 21/22. Each data point is represented by a blue circle with the number 16 inside, connected by a blue line.</p>                                                                                                                                                                                                                                                                                             |                   |
| Impact                                                                                                                                                                                                           | <ul style="list-style-type: none"> <li>Westminster has the fourth highest gap (for women Westminster ranks similar to England average).</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                         |                   |
| Existing controls to mitigate                                                                                                                                                                                    | <ul style="list-style-type: none"> <li>Director of Public Health's annual report to focus on Health Inequalities.</li> <li>Recovering planning underway to support collaborative initiatives which reduce health disparities. (In RBKC Public Health have invested £4 Million with governance being overseen by the recovery board, in WCC 5 workshops have been held to inform an ELT paper on how we can respond to the impact of COVID with £3.75 Million being investing across the Council to respond to identified need.)</li> </ul> |                   |
| Future controls                                                                                                                                                                                                  | <ul style="list-style-type: none"> <li>Public Health Intelligence implementing population health monitoring to support early identification and prevention initiatives.</li> </ul>                                                                                                                                                                                                                                                                                                                                                         |                   |

| 2. Fragility of the Care Market and pressures on the local care market                                                                                      |                                                                                                                                                                                                                                                                                                         | Current Score: 12 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|
| Pressures on the local care market including staffing, training and development and financial pressures are resulting in the local markets being "fragile". |                                                                                                                                                                                                                                                                                                         |                   |
| Score history                                                                                                                                               | <p>A horizontal line chart showing a score of 12 for five consecutive quarters: Q3 20/21, Q4 20/21, Q1 20/21, Q2 21/22, and Q3 21/22. Each data point is represented by a blue circle with the number 12 inside, connected by a blue line.</p>                                                          |                   |
| Impact                                                                                                                                                      | <ul style="list-style-type: none"> <li>Impact on care workforce with essential staff exiting the workforce. Providers may reduce care provision or decline additional care packages.</li> <li>Impact on NHS which could lead to delays in access to treatment will affect whole care system.</li> </ul> |                   |
| Existing controls to mitigate                                                                                                                               | <ul style="list-style-type: none"> <li>Extensive promotion of vaccination uptake across care sector</li> <li>Review of key provider contingency plans</li> <li>Daily capacity and status calls with main providers</li> </ul>                                                                           |                   |
| Future controls                                                                                                                                             | <ul style="list-style-type: none"> <li>Distribution of workforce recruitment and retention funding and planned series of job fairs to support workforce development.</li> </ul>                                                                                                                         |                   |

| <b>3. Financial Pressures and increased demand in Adult Social Care</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | <b>Current Score: 12</b> |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|
| Demand and Complexity <ul style="list-style-type: none"> <li>• Overall increase in the complexity of care needs being presented</li> <li>• In the short term NHS are funding placements and initial care costs (4 weeks) when this ends additional pressure is likely to fall to ASC.</li> <li>• Lack of / delay of NHS treatment may result in a surge of demand. This could come from both hospitals as the NHS clears through backlogs of routine procedures as well as people who have not been treated and as a result present with more complex care needs.</li> </ul> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                          |
| <b>Score history</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <p>A horizontal line chart with five data points, each labeled '12' in a blue circle. The x-axis is labeled with quarters: Q3 20/21, Q4 20/21, Q1 20/21, Q2 21/22, and Q3 21/22.</p>                                                                                                                                                                                                                                                                                                                                                                                                                      |                          |
| <b>Impact</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <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>• Inability to meet agreed savings targets</li> <li>• Potential budget overspends</li> </ul>                                                                                                                                                                                                                                                                                                                             |                          |
| <b>Existing controls to mitigate</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <ul style="list-style-type: none"> <li>• Active management 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> |                          |
| <b>Future controls</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | <ul style="list-style-type: none"> <li>• None reported</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                          |

| <b>4. Adult Social Care Funding Reform</b>                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <b>Current Score: 12</b> |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|
| Full impact of White Paper still unclear. Funding reform announcement indicating that there will be a £86,000 cap on the amount anyone in England will need to spend on their personal care over their lifetime. Increase in threshold for client contributions to £100,000. Broad outline provided however still awaiting technical guidance. |                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                          |
| <b>Score history</b>                                                                                                                                                                                                                                                                                                                           | <p>A horizontal line chart with two data points, each labeled '12' in a blue circle. The x-axis is labeled with quarters: Q2 21/22 and Q3 21/22.</p>                                                                                                                                                                                                                                                                                                                     |                          |
| <b>Impact</b>                                                                                                                                                                                                                                                                                                                                  | <ul style="list-style-type: none"> <li>• Likely to lead to increase in number of referrals to ASC, and demand for assessment of need. This will create a workforce pressure. Local Authorities purchasing budget will be impacted - likely increase in spend. Cap and change in contribution threshold will impact on level on client contributions. Number of people arranging their care privately is unknown, however wider impact on care market expected</li> </ul> |                          |
| <b>Existing controls to mitigate</b>                                                                                                                                                                                                                                                                                                           | <ul style="list-style-type: none"> <li>• Awaiting further details in the White Paper which is due on Autumn 2021</li> </ul>                                                                                                                                                                                                                                                                                                                                              |                          |
| <b>Future controls</b>                                                                                                                                                                                                                                                                                                                         | <ul style="list-style-type: none"> <li>• Lessons learned from current Covid-19 vaccine rollout and flu vaccinations rollouts to feed into likely future routine programme. Monitoring uptake of rollout is underway</li> </ul>                                                                                                                                                                                                                                           |                          |



|                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                             |                          |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|
| <b>5. Additional Mandatory Vaccination Regulation for Health and Social Care Staff – Addition of Home Care Workers (NEW RISK)</b><br>Further legislative changes expanding the number of staff expected to be compliant with vaccination. Health and Social Care staff including Home Care staff required to be vaccinated before April 2022 in order to continue to work in the sector. |                                                                                                                                                                                                                                                                                                                                                                             | <b>Current Score: 12</b> |
| Score history                                                                                                                                                                                                                                                                                                                                                                            | <p>The graph shows a score of 0 in Q2 21/22 and a score of 12 in Q3 21/22. A blue line connects the two points, showing a significant increase.</p>                                                                                                                                                                                                                         |                          |
| Impact                                                                                                                                                                                                                                                                                                                                                                                   | <ul style="list-style-type: none"> <li>• Impact on care workforce with essential staff exiting the workforce. Providers may reduce care provision or decline additional care packages.</li> <li>• Impact on NHS which could lead to delays in access to treatment will affect whole care system.</li> </ul>                                                                 |                          |
| Existing controls to mitigate                                                                                                                                                                                                                                                                                                                                                            | <ul style="list-style-type: none"> <li>• Extensive promotion of vaccination uptake across care sector</li> <li>• Review of key provider contingency plans</li> <li>• Daily capacity and status calls with main providers</li> <li>• Distribution of workforce recruitment and retention funding and planned series of job fairs to support workforce development</li> </ul> |                          |
| Future controls                                                                                                                                                                                                                                                                                                                                                                          | <ul style="list-style-type: none"> <li>• National issue with sector wide discussions taking place</li> </ul>                                                                                                                                                                                                                                                                |                          |

## Children's Services

### Achievements

#### Newly commissioned 0-5 Health Visiting and Early Help service

A new integrated Health Visiting and Early Help service, based on shared management and co-location, has now successfully been designed and commissioned and is due to launch in April 2022. This team will jointly deliver the 0-5 Healthy Child Programme as well as providing whole-family targeted support. The launch of this new service follows the conclusion of a competitive procurement which awarded the health visiting contract to Central London Community Healthcare NHS Trust (CLCH).

The new service will include an additional targeted offer to work with parents in greater need through the integrated staff team. This will include 21 face-to-face visits per family over a 12-month period and will use a systemic trauma-informed practice model.

The overarching strategic aims for the new service are to:

- Improve school readiness, with a particular focus on communication.
- Strengthen our targeted offer of support for vulnerable communities, incorporating special educational needs and disabilities (SEND), attachment and parenting.
- Identify need and intervene earlier.

The move to a single delivery model and integrated workforce will enable us to deliver a more efficient service across the pathway at a reduction of £2.048m to the contract value over the five-year contract term. This equates to an average annual saving of £410k for Westminster from the original annual contract value.

#### Increase in numbers of Care Leavers in Education, Employment and Training

Over the past two years, the percentage of Westminster Care Leavers in Education, Employment and Training (EET) has significantly increased to 81% at the end of 2021, up from 60% in 2019 and 65% in 2020. Westminster 2021 performance is 29% above the national rate (52%), and 23% above the pan-London rate (58%).

We attribute the rise in Care Leavers in EET to the joint effort of Westminster services and our partners to seek prosperous environments for our young people which align to their talents and aspirations and address the skills gap. Our dedicated in-house Education, Employment and Training officer and our Virtual School work closely together to identify opportunities suited to our young people's interests and support them in the application and interview processes. Westminster's strengthened Corporate Parenting approach provides varied employment and training opportunities to Care Leavers both within the Council and among our partner organisations, such as the Crown Estate.

One of our Care Leavers recently completed an apprenticeship with Westminster Wheels - a social enterprise that trains vulnerable, unemployed young people aged 17-24 young people in bicycle

engineering. The young person is now a fully qualified bike mechanic and has secured a permanent job with Westminster Wheels.

### **Reading for Wellbeing Sessions in our library service**

Between October and December 2021, the Westminster Library service successfully delivered over 25 'Aloud in Cloud' reading for wellbeing sessions. These sessions support mental health by using literature to connect people with issues that really matter to them. Stories often lead to lively discussion on human behaviour and personal experiences. The libraries service delivered a mix of online and in person shared reading groups for adults, including those in care homes who are unable to attend in-person, and carers supporting those with dementia.

The 'Aloud in Cloud' scheme has received much positive feedback from attendees. Some comments include:

"I really enjoyed the story on 'Winter Oak' and reminiscing on my experience at school as children and how nature is so important for children as a learning experience."

### **Issues**

#### **Increased Covid outbreaks in schools**

Considering the new Omicron variant, there has been a significant rise in positive cases across both Primary and Secondary schools, with positive cases peaking in the weeks before the winter holiday (week commencing 13th December, there were 95 cases among pupils and staff across 24 settings in Westminster). Upon return for the spring term, we have seen a decrease in cases compared to the end of last year with 61 cases among staff and pupils across 15 settings in the week commencing 3rd January 2022.

There is ongoing concern around staff absences and the ability of schools to continue to deliver on-site education. Despite this, the current commitment remains in place to keep schools open. Schools are maintaining risk assessments and contingency arrangements are in place for remote and online learning if required.

The government has introduced new guidance for secondary schools for the Spring Term. As of 4th January, it is recommended that secondary school pupils wear face coverings in classrooms. Tests, personal protective equipment (PPE) and funding to support school staff will be provided as before. The Council will continue to work closely with schools to monitor cases on a weekly basis and support them with required adjustments. Outbreak management plans remain in place and schools are receiving bespoke advice in line with their unique circumstances.

#### **Falling School Rolls**

In response to Westminster's growing numbers of primary school capacity, the Isos Partnership undertook a review of primary provision in summer 2020. Three recommendations were agreed by the Schools Forum:

- to reduce surplus capacity by 5 to 4 forms of entry
- to support schools' financial management
- to maximise pupil numbers.

The current surplus based on the October 2021 school census across Westminster primary schools, excluding nursery classes, is 22%. Whilst some interim measures will remain in place, such as the temporary capping of published admissions numbers (PANs), we have developed long-term solutions such as permanent reductions to published admissions numbers and consultation on the amalgamation of schools with significant surplus capacity.

One school, Our Lady of Dolours RC Primary, has an approved in-year variation to reduce its PAN from 45 to 30 places a year with effect from September 2022. Another school, George Eliot Primary, is consulting to reduce from 60 to 30 places a year with effect from 2023. A proposed amalgamation of two schools (Westminster Cathedral and St Vincent de Paul RC Primaries) has concluded the informal consultation stage, which if the proposal is implemented, would remove a further one form of entry (30 places a year) from September 2022. The Council has now issued a statutory notice to amalgamate the schools. The next steps in addressing surplus capacity across Westminster, will be further dialogue with schools and diocesan bodies that are considering options to address both surplus capacity and current or projected budget deficits.

### **Increasing pressure on mental health services**

The Westminster Child and Adolescent Mental Health Service (CAMHS), which is commissioned by Health partners and delivered by Central and North West London NHS Foundation Trust (CNWL) offers assessment, diagnosis, treatment and support for young people who are experiencing problems with their emotions, behaviour or mental health. The service are now reporting an increase in the demand and the complexity of presentations and needs as a result of the pandemic. This increased complexity requires additional clinical capacity and therefore places strains across the local mental health system in Westminster.

To address this, the CAMHS team have recruited agency staff to provide additional sessions and have introduced weekend clinics. In addition, the Clinical Commissioning Group (CCG) and CNWL have commissioned Healios to provide assessments for neurodevelopmental disorders, and anticipate that they will begin to take cases from February.

The Council continues to support a robust range of local early intervention emotional wellbeing and mental health services to strengthen the whole school and community-based offer. These largely provide support below that of the Specialist CAMHS threshold and deliver services in places where children and young people are comfortable accessing support. Local services include NHS England funded Mental Health Support Teams in 43 schools providing 1:1 therapeutic support; psychoeducation groups for pupils, and various sessions for parents; online counselling and information service for children and young people aged 11-25; and a Youth Mental Health Worker service embedded in our 5 Westminster Youth Hubs. We have continued to train and upskill our partnership workforce so that they are better able and more confident in supporting local children and young people and we have continued to communicate and promote our local offer to young people.

To further support emotional wellbeing and employability for young people in the borough, the Council are launching an exciting new integrated Mental Health & Wellbeing and Employment offer for 16-25-year-olds. The Bridging the Gap (BTG) pilot will run from May 2022 for 2 years and will be centred at a Young Adults' Hub. This holistic wraparound support, co-located and easily accessible in the same place, will be key to helping young people to enter employment and make a successful transition to adulthood. The service will offer employment coaching, housing support, sexual health and substance misuse services, and clinical therapeutic input. We are also continuing to work in close partnership with the Integrated Care System to align our work with the emerging Central and North West London NHS Foundation Trust (CNWL)'s Young Adult Mental Health pathway and have developed links with the Changing Futures programme to ensure our service offers a dovetail for young people.

## Key Performance Indicators

The table below presents the latest cumulative outturns available for each KPI at Quarter 3 (October 2021 – December 2021).

|                                 |                                   |                                                                                                                                                                                                        |                                      |                                                                                                             |                                                                                                                                                                  |
|---------------------------------|-----------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|-------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <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<br>The level at which the service is improving beyond current capability | <b>Target assessment definitions</b> | <b>Target off track</b><br><b>Exceeding target</b><br><b>Target on track</b><br><b>Minimum standard met</b> | Off track to meet the minimum target level<br>Exceeded ideal target level<br>On track to meet the ideal target level<br>Met the minimum target below ideal level |
|---------------------------------|-----------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|-------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|

| Key performance indicator                                                                                                   | Q2 position | 2021/22 target ranges |   |       |   | Q3 position | Target assessment | Other contextual insight |                                                                           |
|-----------------------------------------------------------------------------------------------------------------------------|-------------|-----------------------|---|-------|---|-------------|-------------------|--------------------------|---------------------------------------------------------------------------|
|                                                                                                                             |             | Minimum               | → | Ideal | → |             |                   |                          | Aspirational                                                              |
| 1. Number of referrals to social care                                                                                       | 416         | 545 (max)             | → | 500   | → | 480         | 432               | Exceeding target         |                                                                           |
| 2. Looked after Children numbers                                                                                            | 166         | 201                   | → | 187   | → | 181         | 176               | Exceeding target         |                                                                           |
| 3. % increase in real and virtual visits to libraries                                                                       | 11.3%       | 1%                    | → | 2%    | → | 3%          | 34.2%             | Exceeding target         |                                                                           |
| 4. Increased proportion of Education, Health and Care assessments which are completed within 20 weeks, excluding exceptions | 98%         | 80%                   | → | 90%   | → | 100%        | 100%              | Exceeding target         |                                                                           |
| 5. Number of first-time entrants to the criminal justice system                                                             | 5           | 20 (max)              | → | 10    | → | 5           | 7                 | Target on track          |                                                                           |
| 6. Number of Serious Youth Violence (SYV) Offences                                                                          | 1           | 20 (max)              | → | 10    | → | 5           | 7                 | Target on track          | Committed by two young offenders                                          |
| 7. % Care Leavers in appropriate accommodation                                                                              | 95.6%       | 90%                   | → | 94%   | → | 96%         | 94.7%             | Target on track          |                                                                           |
| 8. % of young people who are not in employment, education or training                                                       | 2.2%        | 3.5%                  | → | 2.5%  | → | 1.5%        | 1.74%             | Target on track          | Based on young people of year 12-13 age. This represents 54 young people. |
| 9. % care leavers in education, training or employment (at age 19, 20, 21) (excluding those not in touch)                   | 76%         | 70% (min)             | → | 80%   | → | 90%         | 81.4%             | Target on track          |                                                                           |

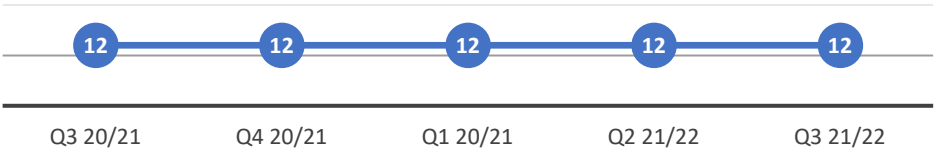
| Key performance indicator                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Q2 position | 2021/22 target ranges      |   |                      |   | Q3 position          | Target assessment | Other contextual insight |                                                                                                                                                                                                                                  |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|----------------------------|---|----------------------|---|----------------------|-------------------|--------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |             | Minimum                    | → | Ideal                | → |                      |                   |                          | Aspirational                                                                                                                                                                                                                     |
| 10. Number of Education, Health and Care assessments finalised                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | 41          | 50 (max)                   | → | 40                   | → | 25                   | 31                | Target on track          |                                                                                                                                                                                                                                  |
| 11. Percentage of fixed-term exclusions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | N/A         | 8%                         | → | 5%                   | → | 0%                   | 1.2%              | Target on track          |                                                                                                                                                                                                                                  |
| 12. % of Looked After Children placed in external foster placements                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 24.1%       | 25%                        | → | 23%                  | → | 21%                  | 22.7%             | Target on track          | Measure is as a % of total number of LAC.                                                                                                                                                                                        |
| 13. % of re-referrals to social care within 12 months                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 18%         | 20% re-referral rate (max) | → | 15% re-referral rate | → | 10% re-referral rate | 19.3%             | Minimum standard met     | This is the number of referrals in quarter two who had been previously referred within the last 12 months. This represents 75 out of the total 416 referrals.                                                                    |
| 14. % of Looked After Children placed in foster care (internal and external fostering agencies, including kinship care)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 56%         | 60%                        | → | 65%                  | → | 70%                  | 57%               | Target off track         | Measure is as a % of total number of LAC. It may also be noted that if those currently placed for adoption or placed with parents were included in the fostering metric, this would reach the minimum target of 60% (99 of 166). |
| <p><b>Service commentary:</b> The factor impacting the most upon this target would be the age profile of the current LAC cohort. The LAC cohort is currently made up of a high number of young people aged 16 or over of which almost half are placed in semi-independent accommodation. (44 of 93). 73% (32 of 44) of those placed in Semi-independent accommodation are also unaccompanied asylum seekers. It may also be noted that if those currently placed for adoption or placed with parents were included in the fostering metric, this would reach the minimum target of 60% (99 of 166).</p> |             |                            |   |                      |   |                      |                   |                          |                                                                                                                                                                                                                                  |
| 15. % of surplus school placements in Westminster primary schools                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 21%         | 15%                        | → | 10%                  | → | 5%                   | 22.3%             | Target off track         |                                                                                                                                                                                                                                  |
| <p><b>Service commentary:</b> We are working with schools to address surplus primary school capacity and assist with their financial management. Two schools are planning to reduce their pupil admission numbers in 2022 and 2023, and there is an ongoing consultation to amalgamate two primary schools, which if implemented will further reduce pupil admission numbers by one form of entry.</p>                                                                                                                                                                                                  |             |                            |   |                      |   |                      |                   |                          |                                                                                                                                                                                                                                  |
| 16. % of appointments to register births available within 5 days of enquiry                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 32%         | 95%                        | → | 95%                  | → | 98%                  | 87%               | Target off track         |                                                                                                                                                                                                                                  |
| <p><b>Service commentary:</b> This is an improving position from 83% in October, achieving 90% in November and December, and should be seen in the wider context of Covid and higher-than-average demand for ceremonies. Additional birth appointments have been set up for January to deal with the backlog due to Christmas closures, although we are expecting higher than normal no shows and cancellations as parent decide to delay registration due to the emerging situation with Covid and new Omicron variant.</p>                                                                            |             |                            |   |                      |   |                      |                   |                          |                                                                                                                                                                                                                                  |

| Key performance indicator                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Q2 position | 2021/22 target ranges |   |       | Q3 position | Target assessment | Other contextual insight |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|-----------------------|---|-------|-------------|-------------------|--------------------------|
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |             | Minimum               | → | Ideal |             |                   |                          |
| 17. % of children re-registered on a child protection plan (cumulative position over current FY)                                                                                                                                                                                                                                                                                                                                                                                                 | 22%         | 15%                   | → | 10%   | →           | 5%                | 17%<br>Target off track  |
| <b>Service commentary:</b> Although the year to date figure is 17%, which exceeds the target, the majority of these re-registrations were in the first two quarters of the year. Quarter 3 performance shows re-registrations of only 1 of 28 (3%). This shows that rates are improving, and should re-registration rates remain lower, we will be within the target range within the end of the year.                                                                                           |             |                       |   |       |             |                   |                          |
| 18. Number of Care Leavers                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 306         | N/A                   | → | N/A   | →           | N/A               | 310<br>N/A               |
| <b>Service commentary:</b> No target assessment to be provided for this KPI. 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. |             |                       |   |       |             |                   |                          |



**Top scoring directorate risks**

| <b>1. High pressure on our short breaks service</b><br>Provision of short breaks is a statutory duty. Increased referrals for short break services puts pressure on our team's capacity and on funding (some of which comes from our High Needs Block). |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | <b>Current Score: 12</b> |         |       |          |   |          |   |          |   |          |    |          |    |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|---------|-------|----------|---|----------|---|----------|---|----------|----|----------|----|
| <b>Score history</b>                                                                                                                                                                                                                                    | <p>The graph shows a score of 9 for Q3 20/21, Q4 20/21, and Q1 20/21. The score increases to 12 for Q2 21/22 and remains at 12 for Q3 21/22.</p> <table border="1"> <thead> <tr> <th>Quarter</th> <th>Score</th> </tr> </thead> <tbody> <tr> <td>Q3 20/21</td> <td>9</td> </tr> <tr> <td>Q4 20/21</td> <td>9</td> </tr> <tr> <td>Q1 20/21</td> <td>9</td> </tr> <tr> <td>Q2 21/22</td> <td>12</td> </tr> <tr> <td>Q3 21/22</td> <td>12</td> </tr> </tbody> </table>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                          | Quarter | Score | Q3 20/21 | 9 | Q4 20/21 | 9 | Q1 20/21 | 9 | Q2 21/22 | 12 | Q3 21/22 | 12 |
| Quarter                                                                                                                                                                                                                                                 | Score                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                          |         |       |          |   |          |   |          |   |          |    |          |    |
| Q3 20/21                                                                                                                                                                                                                                                | 9                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                          |         |       |          |   |          |   |          |   |          |    |          |    |
| Q4 20/21                                                                                                                                                                                                                                                | 9                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                          |         |       |          |   |          |   |          |   |          |    |          |    |
| Q1 20/21                                                                                                                                                                                                                                                | 9                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                          |         |       |          |   |          |   |          |   |          |    |          |    |
| Q2 21/22                                                                                                                                                                                                                                                | 12                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                          |         |       |          |   |          |   |          |   |          |    |          |    |
| Q3 21/22                                                                                                                                                                                                                                                | 12                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                          |         |       |          |   |          |   |          |   |          |    |          |    |
| <b>Impact</b>                                                                                                                                                                                                                                           | It is known that supporting families early following the diagnosis enables families to cope better and could prevent the risk of families seeking residential support later.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                          |         |       |          |   |          |   |          |   |          |    |          |    |
| <b>Existing controls to mitigate</b>                                                                                                                                                                                                                    | <ul style="list-style-type: none"> <li>• Due to the growing demand for short break places, we have worked to create hubs and satellite services that provide access in north and south of the borough. Our Short Breaks menu has now been created and launched on the local offer website. We are currently looking at further developments to improve our youth and 0-5 offer across both boroughs.</li> <li>• Following a growth bid we have split the Short breaks team into three areas.</li> <li>• The Early Intervention team who support families with children aged 0-5yrs. This team supports the family as soon as they receive the diagnosis and will work with the family on a variety of Interventions such as Portage, Behaviour Management, Sleep Interventions. These early support Interventions give the families better knowledge and support as they learn to parent their Disabled Child. When the child reaches 6yrs they move into the Care Planning team till they are 13yrs. This team oversees the child's care package and reviews it yearly. When the Young Person turns 14 years they move to the Preparing for Adulthood Team. They start to look at the Future and introduce practical support with travel training and independent skills. Once they are 18yrs they move into Adult Services. Across the three teams they support over 500 Families.</li> <li>• We now have dedicated sites set up in both the north and south of Westminster. However, we are still hoping to find a permanent dedicated site for CYP in South Westminster as capacity at this site is limited.</li> </ul> |                          |         |       |          |   |          |   |          |   |          |    |          |    |
| <b>Future controls</b>                                                                                                                                                                                                                                  | <ul style="list-style-type: none"> <li>• We will continue to monitor pressure on our short breaks service at our Strategic Implementation Group and City for All (CfA) Board, as well as via our quarterly SEND Self Evaluation Framework.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                          |         |       |          |   |          |   |          |   |          |    |          |    |

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>2. Ongoing pressures with SEN service</b></p> <p>An increasing number of young people are being identified with SEND and schools/settings are referring them for statutory assessment. This is creating pressure on services undertaking assessment within statutory timescales, including the provision of specialist advice from therapists. In June 2021 this pressure resulted in the first late assessment across Bi borough since Feb 2020. The cost of arranging SEN provision, particularly for those aged 20-25, with Education Health and Care Plans is growing. In RBKC, the high needs budget is in deficit. Other pressure points including ensuring timely annual review of every education, health and care Plan.</p> | <p><b>Current Score: 12</b></p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <p><b>Score history</b></p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |  <p>The chart displays a score of 12 across five consecutive quarters: Q3 20/21, Q4 20/21, Q1 20/21, Q2 21/22, and Q3 21/22. The score is represented by blue circles on a horizontal line.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <p><b>Impact</b></p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | <ul style="list-style-type: none"> <li>Local Area Inspection: WCC Inspection was completed successfully in March 2020 and although there have been significant changes in the staffing and structure within health partners, there is an expectation that RBKC will deliver the same successful inspection outcome. Where the outcome of an inspection is poor, it results in the Council and its health partners being required to provide a written statement of action (WSOA) and remedial action to meet the needs and expectations of families.</li> <li>Funding pressures in High Needs Block of the direct schools' grant (DSG) are significant and the implications of Covid-19 are seeing an increased demand for support available for pupils with special educational needs (SEN) particularly in the early years, enhanced levels of specialist input and demand for health and wellbeing support including therapies.</li> </ul>                                                                                |
| <p><b>Existing controls to mitigate</b></p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <ul style="list-style-type: none"> <li>Refreshed SEND Strategies which have been co-produced with families were published this quarter. The multi-agency SEND Executive Partnership Board provides oversight of delivery through targeted work streams and our self-evaluation of strengths and areas for development is updated quarterly and reviewed by the Board.</li> <li>Schools have supported a detailed review of high needs and proposals for targeting and/or reducing expenditure including a review of top up funding have been endorsed by the Schools Forum. In RBKC there is a significant deficit which is being tackled through a deficit management plan approved by the Dept for Education (DfE). In WCC forecast outturn for 20/21 is indicating an in-year deficit. In response to national high needs funding pressures Ministers have announced that their review of SEND (due in 2022) will now be published by the DfE by the end of May in the form of a green paper for consultation.</li> </ul> |
| <p><b>Future controls</b></p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <ul style="list-style-type: none"> <li>An action plan (including new specialist provision) is in place to deliver the SEND Strategies and reduce high-cost placements. A review of top up funding is taking place. Management oversight of inspection preparations takes place monthly.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |

# Environment and City Management

## Achievements

### Delivery of 5 low carbon highway schemes

As part of the City Highways response to the Climate Emergency the team in partnership with contractors FM Conway and engineering consultants WSP designed and built five low carbon highways schemes in 2021 in Norfolk Square, Rathbone Street, Alderney Street, Hobart Place and Northumberland Place. Electric mobile and fixed plant were used in the construction process. We expect the Carbon savings, which will be realised in the next few months, to be significant.

### Clean City increase in officer enforcement activity

Towards the end of 2021, we launched Operation Clean City in response to growing concern about the cleanliness of the city as we emerged from the pandemic. There was increased collaboration between City Inspectors and Veolia which saw quicker identification of hotspots, quicker clear up rates, and increased enforcement outputs. Due to concerns regarding the misuse and illegal dumping of waste around Big Black Bins, there was a particular focus on increased collection and investigation of waste found there. Our intensive communications programme around Operation Clean City saw increased engagement from residents, amenity societies and elected members. Feedback on the operation (which has now been incorporated as business as usual) has been encouraging and the high level of engagement has continued into the new year.

### Public Sector Commercial Fleet of the Year Award for the waste service

The waste service received the award for the journey taken from fitting EminoX technology to reduce CO2 emissions by 89% on our current diesel fleet, robustly testing prototype hydrogen and electric powered waste vehicles, and the leading role we have taken alongside Veolia in developing the market for new electric waste and cleansing vehicles.

## Issues

### Merchant ID (MIDs) issue affecting payment reconciliation.

In mid-December our Parking contractors undertook a back-office process-change without following normal change controls. This change, which could not be reversed, required the urgent replacement of the Merchant ID (MID) files used to process online and card payments. Various mitigating measures were undertaken to ensure continuity of payment. At no point was anyone unable to pay for parking, and payment of PCNs was only briefly interrupted. Alternative MIDs were sourced within the Council's supply chain. This interim solution has required a short-term change to payment frequencies whereby most income is transferred weekly rather than daily to the City Council.

Through use of additional reporting these payments are all being reconciled.

Impacts on payments were brief with the only ongoing issue as of the New Year being the ability for payments to be made for suspensions online by applicants. This is due to some fixed coding in the online suspension software which had to be altered. However, updates to the website directed applicants to phone payment processes and due to the low transaction rates for parking suspensions over the festive period it is not believed that impact on customers was material. As of 12<sup>th</sup> January, this final issue has been resolved and payments online can resume.

All additional costs associated with the transitional arrangements have been picked-up by the contractor. There are no additional processing or transactional costs passed to the City Council in mitigating the impact of this issue. This change by our contractors was an interim step in changing their banking payment providers; the permanent change is being managed with normal system change-controls and will not impact customers or the City Council. This work is underway and will restore the City Council to its daily payment receipting as per prior to the incident. This should be completed within the coming 4-6 weeks.

**Significant food safety compliance issues seen in food premises resulting in some closures which has had an impact on our inspection program.**

In Quarter 3, the Food Service saw an increased number of non-compliant food businesses that resulted in the service of 7 Hygiene Emergency Prohibition Notices (HEPNs), 6 of which were for premises closures due to conditions such as poor cleaning and pest infestations. One HEPN was served on a food business operator in order to ensure that they ceased to serve gluten free options, due to a serious anaphylactic allergic reaction to gluten of a child who had to be taken to hospital as a result. This case has presented significant resource intensive visits due to its unwillingness to cooperate with the department and the high-profile nature of the premises. It has required extensive visits and case reviews.

Another request to lift a Prohibition Order in relation to a food business operator was received by the department. Furthermore, a separate problematic premises required several visits by different teams including Food in relation to food safety, health and safety, odour and planning non-compliance.

Such issues as described above have an impact on the work of the team, as they draw on resource, require significant legal work including revisits to the premises, liaising with legal, case reviews and case file preparation for court and court time.

**Temporary closure of Marshall Street Leisure Centre due to staff shortages through Covid**

During the festive period, Marshall Street and Porchester Leisure centre were managed under changed opening times due to a high number of Covid-19 cases and self-isolation amongst senior staff and lifeguards.

Marshall Street Leisure Centre remained closed between Wednesday 22<sup>nd</sup> December and Friday 24<sup>th</sup> December 2021, as understaffing made it unsafe to open. There was minimal disruption to service users as the site had limited bookings during this period. Marshall Street's revised opening times between Tuesday 28<sup>th</sup> December and Thursday 30<sup>th</sup> December 2021 were 10:00 – 16:00 and 08:00 – 18:00 on Monday 3<sup>rd</sup> January 2022, with the site closing on Friday 31<sup>st</sup> December 2021, Sunday 2<sup>nd</sup> January 2022 and all bank holiday dates.

Porchester Leisure Centre did not undergo any unplanned closures however revised opening times occurred between Tuesday 28<sup>th</sup> December 2021 and Monday 3<sup>rd</sup> January 2022 from 10:00 – 16:00, with exception to Friday 31<sup>st</sup> December 2021 where the site was open from 8:00-14:00 and closed on Saturday 1<sup>st</sup> January (bank holiday) 2022.

Communication went out to all service users informing them of the changes and both sites returned to normal operating hours on Tuesday 4<sup>th</sup> January 2022. We are continuing to work with Everyone Active to monitor Covid impacts on staffing levels and respond accordingly.

## Key Performance Indicators

The table below presents the latest cumulative outturns available for each KPI at Quarter 3 (October 2021 – December 2021).

| 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     | Off track to meet the minimum target level |                                                                                                                                                                                                           |
|----------------------------------------------------------------------------------------------------------------|----------------------------|-------------------------------------------------------------------------------------------------------------------------------|---|-----------------------------------------------------------------------|---|-------------------------------|----------------------|--------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                                                |                            |                                                                                                                               |   |                                                                       |   |                               | Exceeding target     | Exceeded ideal target level                |                                                                                                                                                                                                           |
|                                                                                                                |                            |                                                                                                                               |   |                                                                       |   |                               | 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 position                | 2021/22 target ranges                                                                                                         |   |                                                                       |   | Position at Q3                | Target assessment    | Other contextual insight                   |                                                                                                                                                                                                           |
|                                                                                                                |                            | Minimum                                                                                                                       | → | Ideal                                                                 | → |                               |                      |                                            | Aspirational                                                                                                                                                                                              |
| 1. % of women accessing specialist domestic abuse services who report a reduction in abuse                     | 88%                        | 75%                                                                                                                           | → | 75%                                                                   | → | 80%                           | 92%                  | Exceeding target                           |                                                                                                                                                                                                           |
| 2. % of carriageway and footway defects repaired or made safe within 24 hours                                  | 99%                        | 95%                                                                                                                           | → | 98%                                                                   | → | 100%                          | 100%                 | Exceeding target                           |                                                                                                                                                                                                           |
| 3. Number of vulnerable residents supported to continue living in their homes                                  | 462                        | 400                                                                                                                           | → | 500                                                                   | → | 600                           | 672                  | Exceeding target                           |                                                                                                                                                                                                           |
| 4. % of licensed premises that are safe and well managed following a single inspection                         | 100%                       | 80%                                                                                                                           | → | 90%                                                                   | → | 100%                          | 100%                 | Exceeding target                           | This KPI related to the number of licensed premises that were Covid secure. With the removal of the covid regulations, this has returned to the KPI about premises that were compliant on a single visit. |
| 5. Number of emergency planning exercises completed                                                            | 9                          | 6                                                                                                                             | → | 7                                                                     | → | 10                            | 15                   | Exceeding target                           |                                                                                                                                                                                                           |
| 6. % of streets in Westminster that pass the street score survey for litter                                    | 97.3%                      | 98%                                                                                                                           | → | 98%                                                                   | → | 98%                           | 98%                  | Exceeding target                           |                                                                                                                                                                                                           |
| 7. Number of visits to Sayers Croft services compared with 2019/2020                                           | 18,364                     | 20,000                                                                                                                        | → | 23,000                                                                | → | 25,000                        | 22,492               | Target on track                            |                                                                                                                                                                                                           |
| 8. % of total licences issued within 28 days from the publication date of the Licensing Sub-Committee decision | 85%                        | 70%                                                                                                                           | → | 80%                                                                   | → | 90%                           | 78%                  | Target on track                            |                                                                                                                                                                                                           |
| 9. Ensuring parking compliance across the City is over 97%                                                     | 98%                        | 97%                                                                                                                           | → | 98%                                                                   | → | 99%                           | 98%                  | Target on track                            |                                                                                                                                                                                                           |

| Key performance indicator                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Q2 position                         | 2021/22 target ranges |         |                      | Position at Q3                 | Target assessment    | Other contextual insight  |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|-----------------------|---------|----------------------|--------------------------------|----------------------|---------------------------|
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                     | Minimum               | → Ideal | → Aspirational       |                                |                      |                           |
| 10. Total participation in play, physical activity, leisure and/or sport facilities and activities                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 1,983,984<br>(42% of annual target) | 4.4m                  | → 4.6m  | → 4.8m<br>(annually) | 2815488 (59% of annual target) | Minimum standard met |                           |
| <p><b>Service commentary:</b> Recovery continues to progress. Q2 saw a 16% increase compared to 2020/21. We are currently undertaking our annual ActiveCommunities survey to provide further insight into play, physical activity, leisure and/or sport facilities and activities within Westminster and help us further understand the needs of the community returning to our leisure centres, outdoor activities, parks and open spaces.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                     |                       |         |                      |                                |                      |                           |
| 11. To complete all high-risk food premises inspections (category A-B)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 55%                                 | 100%                  | → 100%  | → 100%               | 68%                            | Minimum standard met | This is an annual target. |
| <p><b>Service commentary:</b> A total of 91 Cat and Cat B premises were inspected in in Q3. This gives a cumulative total of 157 Cat A &amp; B premises this year. 31 Cat A &amp; Cat B are still outstanding. Food officers have been continuing to focus on new premises inspections as they remain to be a priority for the food service as per Food Standards Agency (FSA) Recovery plan and internal audit requirements. According to the recovery plan Cat A inspections are expected to be completed by 31/03/2022 and Cat B by 30/06/2022</p> <p><b>Mitigating action:</b> There have been a number of new officers which has necessitated in training, support and QA from SP's and other Officers. Officers have had to deal with a high number of complex and time-consuming service requests which along with inspections has led to the service of a number of Hygiene Improvement Notices as well as 7 Hygiene Emergency Prohibition Notices (which resulted in closure of the food business and/or prohibition of a process). Officers are in general finding a deterioration in hygiene standards which is resulting a higher volume of follow up action. 132 New premises were inspected. we continue to see a trend of approximately 80 New food Business registrations each month.</p> <p>These mitigating factors are a continuation of what the food team is currently facing. The team had many more complex cases and closures in Q3 than the previous two quarters and the number of new premises registrations that are received each month is still very high. We have recruited to all vacant posts and currently tendering to procure a brand-new system, which will improve data and our efficiency, so we are able to do more with the resource we have. Additionally, we continue to work with the Food Standard Agency, driving and influencing regulatory change and will be trailing a new concept in assessing and inspecting lower risk food businesses.</p> |                                     |                       |         |                      |                                |                      |                           |
| 12. Availability of residents parking in Westminster (Ratio of residential permits issued against parking bays available on the street)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | 85%                                 | 85%                   | → 90%   | → 95%                | 87%                            | Minimum standard met |                           |
| <p><b>Service commentary:</b> Some bays continue to be suspended due to the Covid-19 Movement Strategy and 'Al Fresco' dining. Availability remains the lowest within Parking Zone "F" . (F zone covers the Bryanston, Marylebone, Fitzrovia areas of the City.)</p> <p><b>Mitigating action:</b> If required, pay to park bays will be made available for residential use.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                     |                       |         |                      |                                |                      |                           |

| Key performance indicator                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Q2 position | 2021/22 target ranges |   |       |   | Position at Q3 | Target assessment | Other contextual insight |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|-----------------------|---|-------|---|----------------|-------------------|--------------------------|
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |             | Minimum               | → | Ideal | → |                |                   |                          |
| 13. Number of hazards removed from residential dwellings which pose a serious and immediate threat to people's health or safety                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 132         | 300                   | → | 375   | → | 450            | 191               | Target off track         |
| <p><b>Service commentary:</b> The pandemic has restricted officers in carrying out physical visits to inspect conditions, which has led to a reduction in hazard identification and enforcement action. Staff normally engaged in this area of work have been pulled across to deliver outbreak management priorities at different stages throughout the year, which also impacts on this target. The service has also undergone a review this year with an increased focus on licensing of Houses in Multiple Occupation.</p> <p><b>Mitigating action:</b> With the easing of restrictions, and the resumption of normal service delivery, outputs around removal of housing hazards will return to normal levels. The launch of the Additional Licensing scheme has also resulted in a significant volume of applications in the initial months. These are being progressed and will result in a significant number of improved properties, and removal of hazards, in the coming months which will offset reductions seen this year. There is however a need to review service targets in light of the introduction of the Additional Licensing scheme, so that anticipated targets are realistic. This review is ongoing and will result in new service targets for the next performance year.</p> |             |                       |   |       |   |                |                   |                          |
| 14. Number of Houses of Multiple Occupation (HMOs) improved (buildings with more than one household including shared facilities)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 14          | 50                    | → | 65    | → | 75             | 21                | Target off track         |
| <p><b>Service commentary:</b> Proactive inspections of many larger HMO properties were paused at various stages during 21/22 in line with Covid risk assessments. This has had a knock-on effect in current levels of performance for the year.</p> <p><b>Mitigating action:</b> With the easing of restrictions, we will see the resumption of normal service delivery, and a proactive inspection programme is planned for Q4. There is however a need to review service targets in light of the introduction of the Additional Licensing scheme, so that anticipated targets are realistic. This review is ongoing and will result in new service targets for the next performance year.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |             |                       |   |       |   |                |                   |                          |
| 15. % of urgent lighting defects made safe within agreed timescale                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 99%         | 95%                   | → | 98%   | → | 100%           | 77%               | Target off track         |
| <p><b>Service Commentary:</b> We received 600 additional seasonal jobs above that which is normally experienced in this period. These additional jobs included lamp column mounted sensors, power and camera jobs, so resources were stretched, which meant we were unable to meet our target for this quarter.</p> <p><b>Mitigating action:</b> We are working through the backlog of requests and expect to clear outstanding jobs and meet our target in Q4.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |             |                       |   |       |   |                |                   |                          |

**Top scoring directorate risks**

| <b>1.</b>                            | <b>Flooding</b><br>There is a risk of flooding by fluvial or surface water flooding.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <b>Current score: 16</b> |         |       |          |    |          |   |          |    |          |    |          |    |
|--------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|---------|-------|----------|----|----------|---|----------|----|----------|----|----------|----|
| <b>Score history</b>                 | <table border="1"> <thead> <tr> <th>Quarter</th> <th>Score</th> </tr> </thead> <tbody> <tr> <td>Q3 20/21</td> <td>12</td> </tr> <tr> <td>Q4 20/21</td> <td>6</td> </tr> <tr> <td>Q1 20/21</td> <td>12</td> </tr> <tr> <td>Q2 21/22</td> <td>16</td> </tr> <tr> <td>Q3 21/22</td> <td>16</td> </tr> </tbody> </table>                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                          | Quarter | Score | Q3 20/21 | 12 | Q4 20/21 | 6 | Q1 20/21 | 12 | Q2 21/22 | 16 | Q3 21/22 | 16 |
| Quarter                              | Score                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                          |         |       |          |    |          |   |          |    |          |    |          |    |
| Q3 20/21                             | 12                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                          |         |       |          |    |          |   |          |    |          |    |          |    |
| Q4 20/21                             | 6                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                          |         |       |          |    |          |   |          |    |          |    |          |    |
| Q1 20/21                             | 12                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                          |         |       |          |    |          |   |          |    |          |    |          |    |
| Q2 21/22                             | 16                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                          |         |       |          |    |          |   |          |    |          |    |          |    |
| Q3 21/22                             | 16                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                          |         |       |          |    |          |   |          |    |          |    |          |    |
| <b>Impact</b>                        | <ul style="list-style-type: none"> <li>• Damage to council buildings and structures</li> <li>• Transport disruption</li> <li>• Cold temperature</li> <li>• Risks to vulnerable people</li> <li>• Slip and trip hazards</li> <li>• Access denial</li> <li>• Possible power outages and severe infrastructure disruptions (IT, Telephony, Electricity, Water)</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                       |                          |         |       |          |    |          |   |          |    |          |    |          |    |
| <b>Existing controls to mitigate</b> | <ul style="list-style-type: none"> <li>• London Strategic Flood Framework from GLA</li> <li>• Environment Agency Guidance:</li> <li>• Westminster Plan for Major Emergencies</li> <li>• WCC Staff 10 Point Plan for Business Continuity</li> <li>• Departmental Business Continuity Plans</li> <li>• 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.</li> <li>• Serpentine exercise with The Royal Parks resulting in lessons to be implemented across partners</li> </ul> |                          |         |       |          |    |          |   |          |    |          |    |          |    |
| <b>Future controls</b>               | <ul style="list-style-type: none"> <li>• Exercising &amp; testing with WCC Property &amp; Estates, Bouygues, WCC Facilities Management, WCC Housing Management.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                          |         |       |          |    |          |   |          |    |          |    |          |    |

| <b>2.</b>                            | <b>Continued decline in parking income across the majority of revenue streams</b><br>The continued decline in Parking Revenue across most income streams has been worsened by the Covid-19 pandemic. There is a risk that the Council experiences continued decline in parking revenue because of continued restrictions and a reduction in vehicles coming into the city and further impacts of widening the ULEZ zones in October. | <b>Current score: 12</b> |         |       |          |    |          |    |          |    |
|--------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|---------|-------|----------|----|----------|----|----------|----|
| <b>Score history</b>                 | <table border="1"> <thead> <tr> <th>Quarter</th> <th>Score</th> </tr> </thead> <tbody> <tr> <td>Q1 20/21</td> <td>16</td> </tr> <tr> <td>Q2 21/22</td> <td>12</td> </tr> <tr> <td>Q3 21/22</td> <td>12</td> </tr> </tbody> </table>                                                                                                                                                                                                  |                          | Quarter | Score | Q1 20/21 | 16 | Q2 21/22 | 12 | Q3 21/22 | 12 |
| Quarter                              | Score                                                                                                                                                                                                                                                                                                                                                                                                                                |                          |         |       |          |    |          |    |          |    |
| Q1 20/21                             | 16                                                                                                                                                                                                                                                                                                                                                                                                                                   |                          |         |       |          |    |          |    |          |    |
| Q2 21/22                             | 12                                                                                                                                                                                                                                                                                                                                                                                                                                   |                          |         |       |          |    |          |    |          |    |
| Q3 21/22                             | 12                                                                                                                                                                                                                                                                                                                                                                                                                                   |                          |         |       |          |    |          |    |          |    |
| <b>Impact</b>                        | A reduction in revenue across the majority of parking income streams is still being experienced this financial year resulting in a potential net risk to the Parking Service budget.                                                                                                                                                                                                                                                 |                          |         |       |          |    |          |    |          |    |
| <b>Existing controls to mitigate</b> | <ul style="list-style-type: none"> <li>• 2021/22 Income budgets have been reduced by £3.2m (net of tariff increase), current year only, in order to help alleviate a further potential deficit as recovery from the pandemic continues.</li> <li>• Since restrictions were fully lifted in July'21 parking income streams have continued to see some improvement, particularly within Paid for Parking &amp; Suspensions.</li> </ul> |                          |         |       |          |    |          |    |          |    |
| <b>Future controls</b>               | The Omicron variant dampened recovery expectations for Q3. It is anticipated that there will be further improvement in parking revenue in Q4 2021/22, however this is dependent on whether further restrictions are introduced.                                                                                                                                                                                                      |                          |         |       |          |    |          |    |          |    |



# Finance and Resources

## Achievements

### New 3rd Party Information Assurance process

The IT Information Governance team has developed a new data assurance process with Procurement. This new process, replacing the Information Security Questionnaire is simple and effective for providers who do not have large information governance teams such as SMEs and voluntary sector providers. During the procurement process, the Information Security Assessment process provides a simple way to assess third party data risks before in-depth analysis of the bid takes place. The Council can accept external assurances provided by internally recognised standards such as ISO as well as NHS England's NHS Toolkit. If no External Assurance is found the organisation will complete the 3rd Party Assurance form. Prior to the tender and as part of contract management, support will be provided for smaller organisations adopt the national standards to help them grow.

### One Public Estate Brownfield Site

Successful Bid of One Public Estate Brownfield Site fund means a new collaboration for WCC with RBKC OPE grouping with a view to working with partners on common objectives and to drive synergies. Westminster City Council have been successfully awarded £180,000 for infrastructure works to support the redevelopment of Lisson Cottages; existing Grade II listed buildings located within the Church Street conservation area. The funding for infrastructure improvements, will enable the creation of much needed residential accommodation in central London

### Westminster Innovation Challenge

Westminster Innovation Challenge launched to the public, staff and schools, with media coverage. Significant engagement – 200 staff, over 80 members of the public. This also included engagement externally with 7 different community organisations that are hard to reach groups, including Young people, Over-65's and digitally excluded communities. This has concluded in 247 applications. Work is currently being undertaken to review these with results expected next quarter.

### Co-opted member of CIPFA/LASAAC Local Authority Code Board

In December Westminster was voted in as the first co-opted member of CIPFA/LASAAC (Chartered Institute of Public Finance Accountants/Local Authority Accounts Advisory Committee). CIPFA/LASAAC plays a key role in local authority accounting and is responsible for the development of the Code of Practice on Local Authority Accounting in the UK. This appointment will provide an opportunity to influence the how the Code of Practice is developed with a view to addressing the well-documented national pressures that exist in the local authority audit landscape.

## **Issues**

### **Accounts and Audit 2022/23**

The government is engaging with local authorities across England to address the significant pressures that exist in the accounts and audit landscape. Only 9% of English local authorities signed their 2020/21 accounts by 30 September 2021, Westminster City Council being one that met this deadline. It is widely recognised that much needs to happen both with regulations and with external audit resourcing to ensure this does not happen with the 2021/22 accounts. Government has recently announced an extension to the accounts deadline this year, which will be on 30 November 2022.

### **Provisional Settlement**

The provisional settlement was announced on 16 December 2021 but government has still yet to announce next year's settlements for Public Health grant and other specific grants.

## Key Performance Indicators


The table below presents the latest cumulative outturns available for each KPI at Quarter 3 (October 2021 – December 2021).

| 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<br>The level at which the service is improving beyond current capability |   |                                  | Target assessment definitions | Target off track                 | Exceeding target         | Target on track  | Minimum standard met | Off track to meet the minimum target level<br>Exceeded ideal target level<br>On track to meet the ideal target level<br>Met the minimum target below ideal level |   |              |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|----------------------------------|-------------------------------|----------------------------------|--------------------------|------------------|----------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|--------------|
| Key performance indicator                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Q2 position                | 2021/22 target ranges                                                                                                                                                                                  |   |                                  | Position at Q3                | Target assessment                | Other contextual insight |                  |                      |                                                                                                                                                                  |   |              |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                            | Minimum                                                                                                                                                                                                | → | Ideal                            |                               |                                  |                          |                  |                      |                                                                                                                                                                  | → | Aspirational |
| 1. Procurement Savings delivered council wide (in Year)                                                                                                                                                                                                                                                                                                                                                                                                                                                   | £759,841                   | £5m<br>(£417k p/m)                                                                                                                                                                                     | → | £6m<br>(£500k p/m)               | →                             | £7m<br>(£584k p/m)               | £759,841 p/m             | Exceeding target |                      |                                                                                                                                                                  |   |              |
| <b>Service commentary:</b> Savings are defined as cost reductions resulting from procurement activity, which can be either: <ul style="list-style-type: none"> <li>• 'Hard Savings' - competitive supplier selection resulting in a reduction to budget; or</li> <li>• 'Cost Avoidance' – competitive supplier selection has reduced the cost of the contract but this does not have budget impact (e.g. because the service is new, or a one-off activity).</li> </ul>                                   |                            |                                                                                                                                                                                                        |   |                                  |                               |                                  |                          |                  |                      |                                                                                                                                                                  |   |              |
| 2. No. of major business impact priority 1 incidents per quarter (critical/major system being completely down which could affect more than 100 people)                                                                                                                                                                                                                                                                                                                                                    | 1                          | 22                                                                                                                                                                                                     | → | 18                               | →                             | 12                               | 2                        | Exceeding target |                      |                                                                                                                                                                  |   |              |
| <b>Service commentary:</b> On 3 October a network component crashed and caused a temporary loss of internet access and authentication to Citrix services - this was late in the evening so did not have a reported impact on service delivery. On 26 October there was a firewall routing issue with the managed service architecture at Virgin Media Business that prevented users from logging onto the corporate network. This issue was resolved with a reroute of data through a resilient firewall. |                            |                                                                                                                                                                                                        |   |                                  |                               |                                  |                          |                  |                      |                                                                                                                                                                  |   |              |
| 3. Unpaid sundry debt over 30+ days                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 10%                        | 20%                                                                                                                                                                                                    | → | 16%                              | →                             | 12%                              | 8%                       | Exceeding target |                      |                                                                                                                                                                  |   |              |
| 4. Increase in total income generated from the council's investment portfolio                                                                                                                                                                                                                                                                                                                                                                                                                             | £5,645,970m<br>Q2 21/22    | 1.5% increase per year<br>£477,000                                                                                                                                                                     | → | 2% increase per year<br>£636,000 | →                             | 3% increase per year<br>£954,000 | 3%                       | Exceeding target |                      |                                                                                                                                                                  |   |              |
| 5. Less than 4% of calls abandoned (Agilisys)                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 7%                         | 5%                                                                                                                                                                                                     | → | 5%                               | →                             | 4%                               | 1.5%                     | Exceeding target |                      |                                                                                                                                                                  |   |              |

| Key performance indicator                                                                                                                                                                                                                                           | Q2 position            | 2021/22 target ranges       |   |                             |   |                             | Position at Q3 | Target assessment    | Other contextual insight                                                                                                       |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|-----------------------------|---|-----------------------------|---|-----------------------------|----------------|----------------------|--------------------------------------------------------------------------------------------------------------------------------|
|                                                                                                                                                                                                                                                                     |                        | Minimum                     | → | Ideal                       | → | Aspirational                |                |                      |                                                                                                                                |
| 6. Significant information security incident(s) attracting fines under new GDPR legislation such as Information Commissioner intervention regarding handling of data protection                                                                                     | 0                      | 0                           | → | 0                           | → | 0                           | 0              | Target on track      |                                                                                                                                |
| 7. Number of high-risk incidents reported to the Information Commissioner's Office (ICO)                                                                                                                                                                            | 0                      | 0                           | → | 0                           | → | 0                           | 0              | Target on track      | General Data Protection Regulation Incident reporting rules only apply if they meet the criteria set by the ICO.               |
| 8. Percentage of council tax collected                                                                                                                                                                                                                              | 57.61%                 | 90%                         | → | 91%                         | → | 96.5%                       | 78.7%          | Target on track      |                                                                                                                                |
| 9. Percentage of business rates collected                                                                                                                                                                                                                           | 49.18%                 | 90%                         | → | 91%                         | → | 98.5%                       | 74.5%          | Target on track      | At the end of December 2021, Business Rate collection was 74.5% against 74.9% at the same point last year, a decrease of 0.4%. |
| 10. Percentage of clients satisfied with Legal service as measured by the satisfactory survey                                                                                                                                                                       | 96%                    | 70                          | → | 80                          | → | 100%                        | 93%            | Target on track      |                                                                                                                                |
| 11. Payment of invoices within 30 days of receipt                                                                                                                                                                                                                   | 97.3                   | 93%                         | → | 95%                         | → | 98%                         | 94.5%          | Minimum standard met |                                                                                                                                |
| 12. Time to process new benefit claims and benefit changes of circumstance notifications                                                                                                                                                                            | 12 days                | 16                          | → | 10n                         | → | 8                           | 13 days        | Minimum standard met |                                                                                                                                |
| 13. Variance between capital budget and FY forecast                                                                                                                                                                                                                 | £33.249m underspend P6 | On budget based on forecast | → | On budget based on forecast | → | On budget based on forecast | £10,571,000    | Minimum standard met |                                                                                                                                |
| 14. Pension Fund: carbon savings achieved in year versus the 2018/19 baseline                                                                                                                                                                                       | 60%                    | 50%                         | → | 75%                         | → | 100%                        | 60%            | Minimum standard met |                                                                                                                                |
| <b>Service commentary:</b> Performance to achieve carbon reduction targets (carbon to value invested) will require accurate measurement of carbon impact from investment strategies, provided by specialist consultant.                                             |                        |                             |   |                             |   |                             |                |                      |                                                                                                                                |
| 15. Stage 2 complaint responses despatched within 20 working days                                                                                                                                                                                                   | 72%                    | 70%                         | → | 75%                         | → | 80%                         | 61%            | Target not met       |                                                                                                                                |
| <b>Service commentary:</b> If you are not satisfied with a stage 1 response, you can appeal to the Chief Executive by making a stage 2 complaint. Your complaint will be sent to the Complaints and Customer Manager who will carry out a review of the concern(s). |                        |                             |   |                             |   |                             |                |                      |                                                                                                                                |

| Key performance indicator                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Q2 position              | 2021/22 target ranges |   |                  | Position at Q3 | Target assessment | Other contextual insight            |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|-----------------------|---|------------------|----------------|-------------------|-------------------------------------|
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                          | Minimum               | → | Ideal            |                |                   |                                     |
| 16. Variance between budget and full year forecast                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | £4.7m overspend as at P6 | Overspend             | → | < £5m underspent | →              | As per ideal      | £8,550,000<br><b>Target not met</b> |
| <p><b>Service commentary:</b> The forecast variance has increased by £1.650m since period 6. The main movement is the £2.550m reprofiling of Collaborative Savings (previously reported as a risk). Furthermore, there has been an improved variance of £0.100m in Adult Social Care, £0.600m in Finance and Resources, £0.100m in Children's Services and £0.100m in Innovation and Change compared to period 6. Projected variance including risks is now £10.150m. This is an improvement of £2.000m since period 6.</p> <p><b>Mitigation action:</b> The use of grants will continue to be explored to apply to eligible expenditure by year-end and to reduce overspends where possible.</p> |                          |                       |   |                  |                |                   |                                     |
| 17. Percentage of staff who have completed mandatory data protection & cyber security online training                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 58%                      | 70%                   | → | 90%              | →              | 95%               | <b>58%</b><br><b>Target not met</b> |
| <p><b>Service commentary:</b> The staff who have carried out training is below the minimum target threshold. 42% of staff have failed to complete Cyber Security/Data Protection within 12 months. Directorates showing low completion rates include Innovation &amp; Change (47%), Growth, Planning and Housing (54%) and Children's Services (49%).</p> <p><b>Mitigation action:</b> Intervention is needed by senior management to ensure staff complete Cyber Security and Data Protection training (set on IBC as mandatory). IT will also explore sending of reports direct to Senior Management.</p>                                                                                       |                          |                       |   |                  |                |                   |                                     |

**Top scoring directorate risks**

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>1. 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 activity in 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> | <b>Current score: 25</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>Score history</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |  <p>A horizontal line chart showing a score of 25 for each of the five quarters: Q3 20/21, Q4 20/21, Q1 20/21, Q2 21/22, and Q3 21/22. The score is represented by blue circles on a blue line.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Impact</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | <ul style="list-style-type: none"> <li>• 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.</li> <li>• The uncertainty around the future of local government funding could lead to significant budget gaps in the medium term.</li> <li>• The Council is still likely to have a net overspend for this financial year and there is a risk that the current position could worsen if the impacts of the pandemic remain the same.</li> <li>• There is also great uncertainty about the future of local government funding due to the economic impact of the pandemic and two key policy areas – the Fair Funding Review and Business Rates Retention scheme have been postponed</li> </ul> |
| <b>Existing controls to mitigate</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <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>   |
| <b>Future controls</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <ul style="list-style-type: none"> <li>• The Council will seek to maximise any income it can receive from government and ensure strong medium term financial planning – reviewing both expenditure and income.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |

|                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                          |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|
| <b>2. Delivery of Budgeted Savings</b><br>Due to ongoing funding reductions, the Council must make savings from its revenue budget annually. This is crucial to set a balanced budget which is a legal requirement. COVID 19 led to a number of saving proposals from March 2020 being delayed and further savings put forward as part of the budget report to full council in March 2021. |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | <b>Current score: 20</b> |
| Score history                                                                                                                                                                                                                                                                                                                                                                              | <p>A horizontal line chart with five data points, each represented by a blue circle containing the number '20'. The x-axis labels are Q3 20/21, Q4 20/21, Q1 20/21, Q2 21/22, and Q3 21/22.</p>                                                                                                                                                                                                                                                                                                                                                                                             |                          |
| Impact                                                                                                                                                                                                                                                                                                                                                                                     | <ul style="list-style-type: none"> <li>Failure to realise these budgeted savings will result in overspends and a reduction in balances and reserves. This will have a knock-on impact on future year's budgets as the savings are intended to be ongoing, making balancing future budgets more difficult.</li> </ul>                                                                                                                                                                                                                                                                        |                          |
| Existing controls to mitigate                                                                                                                                                                                                                                                                                                                                                              | <ul style="list-style-type: none"> <li>Robust challenge of all proposed Medium Term Financial Plan (MTFP) Savings during the MTFP process (e.g. through Corporate Budget Group)</li> <li>In-year monitoring of agreed MTFP Savings</li> <li>COVID 19 savings non-delivery monitoring</li> <li>Establishing whether savings will be deliverable even if delayed by Covid-19 response, as part of the latest MTFP /C4A refresh process</li> <li>Ensuring delivery of collaborative savings proposals via the MTFP steering group and reporting to the Innovation and Change Board.</li> </ul> |                          |
| Future controls                                                                                                                                                                                                                                                                                                                                                                            | <ul style="list-style-type: none"> <li>Robust scrutiny in the annual budget setting process for proposed savings and effective in year monitoring. This needs to be on-going.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                    |                          |

|                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                          |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|
| <b>3. Interest rate changes</b><br>The Council generates revenue income from cash investments and interest earnings on cash balances which underpins the General Fund revenue budget. |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <b>Current score: 16</b> |
| Score history                                                                                                                                                                         | <p>A horizontal line chart with five data points, each represented by a blue circle containing the number '16'. The x-axis labels are Q3 20/21, Q4 20/21, Q1 20/21, Q2 21/22, and Q3 21/22.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                   |                          |
| Impact                                                                                                                                                                                | <ul style="list-style-type: none"> <li>If cash balances fall or there are reductions to interest rates, the level of income received could fall beneath budgeted levels. There has been a recent rate rise to 0.25% with another rise to 0.50% anticipated late spring 2022. This should mean improved income in 2022/23 vs 2021/22.</li> </ul>                                                                                                                                                                                                                                                                                   |                          |
| Existing controls to mitigate                                                                                                                                                         | <ul style="list-style-type: none"> <li>The Council has a number of options available to it to mitigate these risks. The level of external borrowing has for some considerable time been significantly below the Council's capital financing requirement (CFR), meaning that the "cost of carry" has not eroded the income earned as a result of the taking out of long-term loans. Regarding external borrowing, the Council has also managed to secure several longer-term loans at very competitive forward rates of interest. These future rate loans will help cushion the impact of possible interest rate rises.</li> </ul> |                          |
| Future controls                                                                                                                                                                       | <ul style="list-style-type: none"> <li>This will be addressed as part of the Treasury Management Strategy Statement.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                          |

# Growth, Planning and Housing

## Achievements

### Affordable Housing Programme

During Quarter 3, construction started on the Luxborough development site. The scheme is situated in the Marylebone High Street Ward, on the Western side of Luxborough Street and previously consisted of an underutilised kick about site. The new proposals include a total of 14 new intermediate tenure homes along with ground floor community use (most likely to be a nursery). In addition to the new homes and community space, new cycle parking, refuse storage and public realm will be delivered.

During the quarter, practical completion was reached on Block B of the West End Gate Development Scheme, a development by Berkley Homes. As part of their Section 106 contribution a total of 130 affordable homes will be acquired by the Council. Block B includes 39 social rent homes which are being managed by Westminster Housing Services, and were virtually all occupied before the Christmas break. Block B also includes 29 intermediate rent homes which will be acquired by Westminster Builds. The latter phases (blocks D, E and F) will complete during 2022 and will provide a further 62 affordable, and 86 private sale homes.

Finally development schemes at both Ashbridge Street and Ashmill Street topped-out. These development sites will deliver 26 new affordable apartments and 2 affordable town houses in the Church Street area.

### Catalysation of Enterprise Spaces with Interim Spaces

PopHub Leicester Square and Church Street Studios (both still live) and the former George Street Studios, which was a meanwhile use as enterprise space running from 2016-17, have been announced as joint winner at the Property Awards 2021. This is one of the highest accolades in the industry and falls within the Social Impact Initiative category.

## Issues

### Shortages of materials and increased costs

Shortages of materials and consequential increased materials costs continue to impact all development projects. The Construction Leadership Council is now warning that there is a strong likelihood of a worsening of the situation due to Omicron-related factory closures / reduced productivity. The lack of Transport resource are also impacting supply to sites. Additionally, there are warnings of imminent price increases for energy-intensive products (bricks, blocks, concrete, steel, glass) due to the unprecedented increases in the cost of energy.

Labour costs and shortages are also continuing to impact the development programme. The situation is borne out of a number of factors including Brexit, Omicron and the increased number of construction projects which all started at a similar time (the “end” of Lockdown). The volatile labour market is causing issues for programming, quality and costs across the sector.



## Key Performance Indicators

The table below presents the latest cumulative outturns available for each KPI at Quarter 3 (October 2021 – December 2021).

| Target range definitions                                                                                 | Minimum                                                                    | Ideal                                              | Aspirational                                                          | Target assessment definitions | Target off track                           | Exceeding target            | Target on track                                                                                                                                                                                                                                                                                                      | Minimum standard met                     |
|----------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------|----------------------------------------------------|-----------------------------------------------------------------------|-------------------------------|--------------------------------------------|-----------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------|
|                                                                                                          | 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 |                               | 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 |
| Key performance indicator                                                                                | Q2 position                                                                | 2021/22 target ranges                              |                                                                       |                               | Position at Q3                             | Target assessment           | Other contextual insight                                                                                                                                                                                                                                                                                             |                                          |
|                                                                                                          |                                                                            | Minimum                                            | Ideal                                                                 | Aspirational                  |                                            |                             |                                                                                                                                                                                                                                                                                                                      |                                          |
| 1. % of 'major' planning applications determined within 13 weeks i.e. larger scale development           | 83%                                                                        | 60%                                                | 70%                                                                   | 75%                           | 86%                                        | Exceeding target            |                                                                                                                                                                                                                                                                                                                      |                                          |
| 2. % of 'non-major' planning applications determined within 8 weeks                                      | 77%                                                                        | 70%                                                | 73%                                                                   | 75%                           | 77%                                        | Exceeding target            |                                                                                                                                                                                                                                                                                                                      |                                          |
| 3. Satisfaction with anti-social behaviour (ASB) case handling                                           | 65%                                                                        | 63%                                                | 67%                                                                   | 70%                           | 68%                                        | Target on track             |                                                                                                                                                                                                                                                                                                                      |                                          |
| 4. Westminster residents into jobs through our Westminster Employment Service (WES)                      | 288                                                                        | 320                                                | 420                                                                   | 480                           | 438                                        | Target on track             | We have exceeded our ideal target and are well on track to meet our aspirational target. Since April, the service has brokered 720 jobs with local businesses and supported 438 instances of residents securing work.                                                                                                |                                          |
| 5. Westminster residents supported into Interims (Work trials, training, work placements & volunteering) | 621                                                                        | 345                                                | 863                                                                   | 950                           | 799                                        | Target on track             | 1,078 residents successfully support in 2020/21.                                                                                                                                                                                                                                                                     |                                          |
| 6. 1,000 young people engaged in enterprise and sector-based experiences                                 | 0                                                                          | 750                                                | 1,000                                                                 | 1,250                         | 950                                        | Target on track             | In Q3, the service has engaged a total of 950 young people in enterprise and sector-based experiences. This figure is made up of 700 young people participating in Westminster Enterprise Week 2021 and 250 young people in participating in Microsoft's 'Digi Days' events. Will exceed 2020/21 outturn at yearend. |                                          |
| 7. Contact centre - % calls answered in 30 seconds                                                       | 70%                                                                        | 65%                                                | 70%                                                                   | 75%                           | 69%                                        | Target on track             |                                                                                                                                                                                                                                                                                                                      |                                          |

| Key performance indicator                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Q2 position | 2021/22 target ranges |   |             |   | Position at Q3 | Target assessment | Other contextual insight                                                                                                                                                                                                                                 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|-----------------------|---|-------------|---|----------------|-------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |             | Minimum               | → | Ideal       | → |                |                   |                                                                                                                                                                                                                                                          |
| 8. Number of businesses significantly engaged (including vouchers issued, Corporate Social Responsibility activity)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | 3,162       | 4,000                 | → | 4,500       | → | 5,000          | 4,864             | Target on track                                                                                                                                                                                                                                          |
| <b>Service commentary:</b> The figure for the quarter includes a range of engagement including unique business enquiries, business engagement with service support programmes, business survey responses, pop-up project engagement, engagement with the Westminster Investment Service as well as vouchers distributed to Westminster businesses during the period. Reflected in the figures is also engagement with the City Council's Additional Restrictions Grant (ARG) and Hardship Rate Relief schemes which are being administered by Business and Enterprise on behalf of central government and other City Council departments.                                                                                                                                                                                                                                                                                                           |             |                       |   |             |   |                |                   |                                                                                                                                                                                                                                                          |
| 9. Number of cases of homelessness prevented (Defined as outcomes from a combination of Housing Solutions and Shelter work)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 317         | 500                   | → | 520         | → | 550            | 446               | Target on track                                                                                                                                                                                                                                          |
| 10. Affordable Housing units delivered in 20/21 (1,850 by 2023)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 44          | 227 (1,250)           | → | 263 (1,286) | → | 298 (1,321)    | 112               | Minimum standard met<br>Cumulative position for 1850 CfA target at end of 20-21 was 1023 units delivered.                                                                                                                                                |
| <b>Service commentary:</b> 112 units to date up from 44 at Qtr 2. An additional 140 units are anticipated to be delivered in Qtr 4. As always there is some risk of slippage of these schemes into the following period but we remain on target to achieve the CfA target of 1850 units by the end of 2023.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |             |                       |   |             |   |                |                   |                                                                                                                                                                                                                                                          |
| 11. % planning appeals determined in favour of the Council (Excluding telephone boxes)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 64%         | 60%                   | → | 65%         | → | 70%            | 61%               | Minimum standard met<br>Of 89 appeal decisions received during this period 54 dismissed or part dismissed (determined in favour of the City Council) (61%). 16 out of 30 in Qtr 3 alone (53%).                                                           |
| 12. 9 or fewer new rough sleepers in the quarter who join the 'Living on the Streets (LOS) cohort                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 10          | 16                    | → | 9           | → | 4              | 10                | Minimum standard met<br>This is a new KPI which monitors how many new rough sleepers in the quarter were not accommodated or did not leave the streets themselves and stay rough sleeping long enough that they risk becoming entrenched rough sleepers. |
| <b>Service commentary:</b> In Q3, we had 10 new rough sleepers to Westminster who were seen rough sleeping on enough encounters that they are considered to be part of our Living On the Streets population – i.e., that a route away from the street wasn't achieved within their first few encounters with the outreach team. This number was the same as Q2 and considered it represents an increase in the numbers of NRPf (no recourse to public funds) rough sleepers recorded in WCC between November and December 2021.<br><b>Mitigating action:</b> Since the quarterly data was released, St Mungo's Street Outreach Service have confirmed that the reconnection of NRPf clients continues to be a priority with clients indicating a wish to return to their home country during December and early January 2022. Some reconnections are taking longer due to Covid, tests and documentation required before travel can be coordinated. |             |                       |   |             |   |                |                   |                                                                                                                                                                                                                                                          |
| 13. % satisfaction with repairs service                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 77%         | 82%                   | → | 84%         | → | 86%            | 75%               | Target off track<br>Targets have been reviewed and are still considered challenging and realistic for 2021/22.                                                                                                                                           |
| <b>Service commentary:</b> Satisfaction with the repairs service has dropped because of the Covid-19 lockdowns and the time that residents have had to wait for their non-essential repairs to be completed.<br><b>Mitigating action:</b> Our contractors are making appointments for all of these repairs, resulting in a period of catch-up. This is well underway and being progressed as quickly as possible.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |             |                       |   |             |   |                |                   |                                                                                                                                                                                                                                                          |

**Top scoring directorate risks**

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                          |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|
| <b>1. Building Regulations - Part B &amp; Draft Building Safety Bill</b><br>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" has been extended to cover many more of the properties within Westminster. The new draft bill sets requirements for competence and resource of the local Building Control team. It has a far reaching impact across the Council with the requirements for safety cases for council and private sector properties. |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | <b>Current score: 15</b> |
| Score history                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | <p>Q3 20/21      Q4 20/21      Q1 20/21      Q2 21/22      Q3 21/22</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                          |
| Impact                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <ul style="list-style-type: none"> <li>Burden on local authority - high call on resources to inspect buildings and legal responsibility for licensing of buildings. There is an estimated requirement for 25-30 Level 6 Qualified Surveyors required for Westminster (LABC figures).</li> </ul>                                                                                                                                                                                                                                                                                                                 |                          |
| Existing controls to mitigate                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | <ul style="list-style-type: none"> <li>4 surveyors (incl 1 agency) have passed new Local Authority Building Control (LABC) (the national representative association) competency exams. Currently developing 2 Senior surveyors who may be able to fill principal posts. WCC has signed up to the LABC Quality Management System.</li> </ul>                                                                                                                                                                                                                                                                     |                          |
| Future controls                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <ul style="list-style-type: none"> <li>Looking to recruit:             <ul style="list-style-type: none"> <li>1 Fire Engineer post.</li> <li>1 Quality and Regulations Manager.</li> <li>2 Principal Surveyors.</li> </ul> </li> <li>London District Surveyors Association – Heads of London Borough Building Controls are approaching the London Mayor to consider a Pan London arrangement for BSB related work.</li> <li>Resourcing/recruitment remains challenging. We have begun putting a report together for a Career Grade process/matrix for recruitment and retention in Building Control.</li> </ul> |                          |

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                         |                          |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|
| <b>2. Materials/Labour Shortages and Price Increases in the UK construction industry</b><br>Materials shortages eased in December 2021, but this is viewed as a temporary mitigation with shortages expected to continue into 2022. Prices continue to rise, energy-intensive products (bricks, blocks, concrete, steel, glass) will see additional cost pressures as a result of the unprecedented energy cost increases. Labour shortages will continue into 2022, the labour situation will increase tender prices, and it will also impact on the continuity of operatives which could impact quality and productivity - causing delays to project completion dates across the year. |                                                                                                                                                                                                                                                                                                                         | <b>Current score: 12</b> |
| Score history                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | <p>Q2 21/22      Q3 21/22</p>                                                                                                                                                                                                                                                                                           |                          |
| Impact                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <ul style="list-style-type: none"> <li>The discussions with the supply chain and reviewing advice from the Construction Leadership Council and other bodies suggest that the situation will remain challenging for a further 9 – 12 months. The impact is likely to be programme delays and increased costs.</li> </ul> |                          |
| Existing controls to mitigate                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | <ul style="list-style-type: none"> <li>The Development team are working with the supply chain to regularly check-in on what impact this is having on the programme, and to seek opportunities for mitigations, such as alternative suppliers or products.</li> </ul>                                                    |                          |
| Future controls                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | <ul style="list-style-type: none"> <li>The team are also looking at opportunities for placing early orders. Stockpiling is a less effective option, with many of the pre-Brexit stockpiles now exhausted / depleted as a result of the pandemic.</li> </ul>                                                             |                          |

# Innovation and Change

## Achievements

### Westminster Connects

Westminster Connects provided volunteers to support Afghan refugees at the bridging hotel in Westminster. Volunteers, providing 1,720 volunteering hours of time, sorted and distributed clothes and toiletries, helped assist in the playrooms, and accompanied refugees to cricket and football opportunities, registration at schools, trips to the mosque and the market and the libraries. In addition to the volunteers, Westminster Connects supported the coordination of donations and activities from faith groups and community organisations, again engaging broadly with residents who were members of the congregations seeking to help, and providing an opportunity for churches, mosques and synagogues to each be involved in their offers of support. 700 refugees were supported, 111 residents were given volunteering opportunities, 9 faith and community organisations developed active, on-going engagement.

Westminster Connects also helped to deliver 700 Christmas hampers to some of our more isolated residents. The hampers were donated by the Sir Simon Milton foundation and by South Westminster BID and went to residents identified by Adult Social Care or residents living in sheltered accommodation managed by housing services.

### Code of Construction Practice

WCC has developed and adopted a new Code of Construction Practice which sets out a range of higher standards we expect developers to minimise and mitigate the impacts of construction and new development on amenity – including noise, air pollution and community engagement – across the city. For new schemes developers will be expected to demonstrate to the Council how they will meet these new requirements before work can commence or face the prospect of enforcement action if they do not work to our standards. The Council is working with developers on schemes that were already underway to determine where levelling up action is needed.

### Soho Angels

The Soho Angels service was re-started in the run-up to Christmas, staffed by volunteers and coordinated by the Council with St John's Ambulance and the LGBT Foundation. The services running up to Christmas were enhanced so there will also be a dedicated ambulance and additional clinical expertise, such as paramedics and doctors at the Night Hub. More than ten Angels volunteers and helped over 30 women get home safely, as well as saving at least seven ambulance call outs.

### City Lions

We recruited 53 mentors who have been matched with young people in Westminster to provide structured coaching and support. The Christmas holiday programme secured 650 places for Westminster's young people to visit the ice rink at Somerset House, 90 Lion King tickets for Westminster schools and organised visits to the Tower of London, Harry Potter Tour, the Dr Who Immersive Theatre Experience with education and good nutrition and hold a cookery competition

as part of the programme. We continued our programme of workshops with Perfect Storm, John Lewis and Waitrose which will lead to paid creative internships for Westminster young people aged under 25.

### **Issues**

- Business rates – we are preparing for the upcoming consultation on the proposed Online Sales Tax, working closely with Her Majesty's Government (HMG) to make sure it is brought forward swiftly and benefits Westminster's high street businesses.
- Reduced income from Events & Filming. Ongoing impacts of Covid on the sector. Both Christmas events in Leicester Square and Trafalgar Square were forced to close (for temporary periods) over the festive season due to Covid- with closures impacting on revenue. Ongoing impacts of Covid on the sector have resulted in event cancellations at the start of 2022, whilst event applications have remained relatively low. Both of these factors and ongoing uncertainty have and will continue to impact on income.

## Key Performance Indicators

The table below presents the latest cumulative outturns available for each KPI at Quarter 3 (October 2021 – December 2021).

|                                 |                                   |                                                                                                                                                                                                        |                                      |                                                                                                             |                                                                                                                                                                  |
|---------------------------------|-----------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|-------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <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<br>The level at which the service is improving beyond current capability | <b>Target assessment definitions</b> | <b>Target off track</b><br><b>Exceeding target</b><br><b>Target on track</b><br><b>Minimum standard met</b> | Off track to meet the minimum target level<br>Exceeded ideal target level<br>On track to meet the ideal target level<br>Met the minimum target below ideal level |
|---------------------------------|-----------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|-------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|

| Key performance indicator                                                                                                                                                                                                                                                                                             | 2020 position | 2021/22 target ranges |         |                | Position at Q3 (2021 results) | Target assessment | Other contextual insight                                                                                                                                                                                                                |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|-----------------------|---------|----------------|-------------------------------|-------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                                                                                                                                                                                                                                                       |               | Minimum               | → Ideal | → Aspirational |                               |                   |                                                                                                                                                                                                                                         |
| 1. Residents feel informed about services and benefits                                                                                                                                                                                                                                                                | 70%           | 64%                   | → 69%   | → 74%          | 60%                           | Target off track  | Despite missing this target, satisfaction with the Council remains very high. Residents who didn't feel informed hadn't seen Council comms and tended to be working age, no disability, not carers and just about managing financially. |
| <b>Mitigating action:</b> We will be utilising information from the City Survey to better understand residents' preferred methods of communication and then use this insight to share information on council services and plans more effectively in order to seek to increase informed ratings amongst key audiences. |               |                       |         |                |                               |                   |                                                                                                                                                                                                                                         |
| 2. Residents feel informed about plans for your local area                                                                                                                                                                                                                                                            | 66%           | 64%                   | → 69%   | → 74%          | 59%                           | Target off track  | Residents who didn't feel informed about plans for the local area tended to be generally dissatisfied, working age, working full time, no disability, and just about managing financially.                                              |
| <b>Mitigating action:</b> We will be utilising information from the City Survey to better target information at key audiences, including supporting service-led engagement and consultation programmes, where appropriate.                                                                                            |               |                       |         |                |                               |                   |                                                                                                                                                                                                                                         |

More information has been provided in Section 2 of the main report above.

## Top scoring directorate risks

No risks reported by Innovation & Change this quarter met the minimum scoring threshold for inclusion into the report.

# People Services

## Achievements

### Transfer of Pension Administration Service

The Pension team have successfully transferred the Pension Administration Service from Surrey County Council to Hampshire Pension Service (a dedicated service provided by Hampshire County Council). This move was undertaken within a very tight timescale of eight months and given the sensitivity and importance of pension provision to our members and pensioners, we are pleased that we achieved the move on time and within budget. There were significant amounts of tripartite project management between the three councils, various contract negotiations, legal advice, Procurement and IT support all backed up by a comprehensive comms and engagement strategy to meet the ambitious delivery timetable.

Notable successes include:

- Matching pension payroll to the penny on the new system to the old system prior to go-live. This was a major achievement in terms of financial accuracy and accounting.
- Providing (and communicating about) continuation of service during the transition. There was no unplanned-for disruption in service to our members during transition.
- Achieving close on 2.5k member / pensioner signups to the new Member Portal within the first four weeks of the new service delivery (there was just over 5.5k signups in the seven years of the old system).

Plans for quarter four and into FY 2022/2023 include working in partnership with Hampshire Pension Fund to develop the service delivery offer, and to deliver the Guaranteed Minimum Pension (GMP) and McCloud Rectification projects.

### Commended for the SFJ Awards Impact Award for Connecting Your People to Virtual Learning in the Public and Third Sector

This award recognises organisations across the private, public and third sector that best demonstrate how their Learning at Work Week activities helped connect their people to virtual learning. The award highlights employers who are providing exceptional, accessible digital training opportunities to all and recognises those who have gone above and beyond during this national learning campaign.

Westminster L&D Team was Commended for the National SFJ Impact Award: Connecting Your People to Virtual Learning and led to [Campaign for Learning](https://www.campaign-for-learning.org.uk/faqs/westminster-city-council) sharing our approach as an example of best practice for Learning at Work Week on their website <https://www.campaign-for-learning.org.uk/faqs/westminster-city-council>

Our event was the most successful Learning at Work Week to date with 22 workshops and an increase in attendance by 125% from the previous year. We used the opportunity of this week to collaborate with various colleagues across different service area and staff networks, such as Children's Services and the B.A.M.E. network, to create workshops that would support colleagues in career and personal development goals.

### **Launch of the first Bi-borough Coaching Apprenticeship Cohort**

We launched our first Bi-borough Coaching Apprenticeship Cohort on 25 Oct 2021. The programme offers an opportunity for staff to upskill and professionalise their coaching skills. The programme is being delivered by The Apprenticeship College and offers participants the opportunity to coach individuals across RBKC and WCC for a wider learning experience.

In addition to the Bi-Borough Coaching Community and other coaching skills development opportunities offered by WCC, the Coaching Apprenticeship further helps our ambition to create a coaching culture within the organisation. The apprenticeship offers participants an opportunity to not only learn new skills but also apply their learning at work.

Benefits and anticipated impact:

- Coaching helps create an agile culture with a greater confidence in employees' capabilities in planning and executing change. Evidence shows that organisations with strong coaching cultures are more likely to have better talent and business outcomes.
- Coaching not only improves performance and maximises employee potential, but also supports employees in their own personal development and results in a more engaged workforce.
- Building a coaching culture means a more resilient organisation, as more people are equipped with the skills to support the development of others.
- If our ambition is to move towards self-managed teams where 'everyone is a leader' we need to evolve from Team leaders to People Leaders.

In line with our commitment to ensure our cohorts represent the diversity of the organisation, of the 18 staff that were offered a place on this apprenticeship, 33.3% were from a B.A.M.E. background and 88.9% were Female.

### **Issues**

There were no issues reported this quarter.

### **Top scoring directorate risks**

No risks reported by People Services this quarter met the minimum scoring threshold for inclusion into the report.



## Key Performance Indicators

The table below presents the latest cumulative outturns available for each KPI at Quarter 3 (October 2021 – December 2021).

We will provide KPIs from engagement and staff surveys when these results are received on an annual basis.

| Key performance indicator                                                                                                                                                                                                                                                                                                                                                                    | Q2 position | 2021/22 target ranges                                                                                                                                                                                                                                                                                       |   |                        |   | Position at Q3         | Target assessment | Other contextual insight                                                                                                                                                                                            |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---|------------------------|---|------------------------|-------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                                                                                                                                                                                                                                                                                                                              |             | Minimum                                                                                                                                                                                                                                                                                                     | → | Ideal                  | → |                        |                   |                                                                                                                                                                                                                     |
| <b>Target range definitions</b><br><b>Minimum</b> The minimum level for the KPI that will still allow the service to deliver<br><b>Ideal</b> A level which is acceptable for service continuity<br><b>Aspirational</b> The level at which the service is improving beyond current capability                                                                                                 |             | <b>Target assessment definitions</b><br><b>Target off track</b> Off track to meet the minimum target level<br><b>Exceeding target</b> Exceeded ideal target level<br><b>Target on track</b> On track to meet the ideal target level<br><b>Minimum standard met</b> Met the minimum target below ideal level |   |                        |   |                        |                   |                                                                                                                                                                                                                     |
| 1. % of staff turnover is managed at appropriate benchmark levels (excluding redundancies)                                                                                                                                                                                                                                                                                                   | 11%         | 13%                                                                                                                                                                                                                                                                                                         | → | 12%                    | → | 11%                    | <b>11%</b>        | <b>Exceeding target</b><br>274 leavers with an average headcount of 2589                                                                                                                                            |
| 2. % of BAME employees in senior leadership roles (band 5 and above)                                                                                                                                                                                                                                                                                                                         | 24%         | 21%                                                                                                                                                                                                                                                                                                         | → | 22%                    | → | 24%                    | <b>26%</b>        | <b>Exceeding target</b><br>49 out of 190 band 5+ are now from a disclosed BAME background. It was 45 out of 188 in Q2                                                                                               |
| 3. % of apprenticeship starts in relation to the public sector target of 2.3% of total headcount                                                                                                                                                                                                                                                                                             | 1.8%        | 2% including schools                                                                                                                                                                                                                                                                                        | → | 2.3% excluding schools | → | 2.3% including schools | <b>2.5%</b>       | <b>Target on track</b><br>The total headcount is 4015 (including schools). 2746 without schools. The aspirational target percentage is the figure with schools, and the ideal target percentage is without schools. |
| <b>Service commentary:</b> Further apprentices are expected to start in Q4 when the Project Management apprenticeship is launched.                                                                                                                                                                                                                                                           |             |                                                                                                                                                                                                                                                                                                             |   |                        |   |                        |                   |                                                                                                                                                                                                                     |
| 4. Increase the percentage of women in senior leadership roles (band 5 and above)                                                                                                                                                                                                                                                                                                            | 46%         | 47%                                                                                                                                                                                                                                                                                                         | → | 48%                    | → | 53%                    | <b>46%</b>        | <b>Target off track</b><br>88 out of 190 band 5+ staff are female. It was 86 out of 180 in Q1.                                                                                                                      |
| <b>Service commentary:</b> No net change in percentage compared to the previous quarter.<br><b>Mitigating action:</b> ELT are committed to ensure equity and equal opportunities for all band 5 appointments. This includes ELT attendance at every band 5 and above interview. Analysis of pay gap information will also inform a detailed action plan.                                     |             |                                                                                                                                                                                                                                                                                                             |   |                        |   |                        |                   |                                                                                                                                                                                                                     |
| 5. Positive action - % of Band 4+ roles which have BAME candidate on the shortlist                                                                                                                                                                                                                                                                                                           | 84%         | 95%                                                                                                                                                                                                                                                                                                         | → | 97%                    | → | 100%                   | <b>90%</b>        | <b>Target off track</b><br>15 roles in Q1 - Q3 with no BAME candidates on the shortlist                                                                                                                             |
| <b>Service commentary:</b> Confirmation received that all non-compliant roles were discussed with Chief Executive and were acceptable in the circumstances. There has been positive movement on the positive action metrics in Q3.<br><b>Mitigating action:</b> ELT agreed to redouble efforts in this area including stopping band 4 + appointment as and where appropriate and restarting. |             |                                                                                                                                                                                                                                                                                                             |   |                        |   |                        |                   |                                                                                                                                                                                                                     |

**Staff Survey KPIs:**

The KPIs below are reported on annually via the staff survey.

| Key performance indicator                                                                                                                                                                                                                                                                                                           | Q4 20/21 position | 2021/22 target ranges |   |       |   | Position at Q3 21/22 | Target assessment | Other contextual insight |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|-----------------------|---|-------|---|----------------------|-------------------|--------------------------|
|                                                                                                                                                                                                                                                                                                                                     |                   | Minimum               | → | Ideal | → |                      |                   |                          |
| 1. Staff Survey: Measure around bullying and harassment                                                                                                                                                                                                                                                                             | 19%               | 19%                   | → | 18%   | → | 14%                  | 11%               | Exceeding target         |
| 2. My line manager gives me constructive feedback on my performance                                                                                                                                                                                                                                                                 | 69%               | 69%                   | → | 70%   | → | 74%                  | 73%               | Target on track          |
| 3. Staff Survey: I am optimistic about my opportunities for career development                                                                                                                                                                                                                                                      | 45%               | 45%                   | → | 46%   | → | 50%                  | 46%               | Target on track          |
| 4. Staff Survey: Different teams work well together                                                                                                                                                                                                                                                                                 | 51%               | 51%                   | → | 52%   | → | 56%                  | 53%               | Target on track          |
| 5. Engagement: To increase the Employee Engagement Index across WCC                                                                                                                                                                                                                                                                 | 78%               | 78%                   | → | 79%   | → | 83%                  | 74%               | Target off track         |
| 6. Engagement: Do you feel valued by Westminster                                                                                                                                                                                                                                                                                    | 62%               | 62%                   | → | 63%   | → | 67%                  | 57%               | Target off track         |
| 7. Staff Survey: The Council cares about my health and wellbeing                                                                                                                                                                                                                                                                    | 70%               | 70%                   | → | 71%   | → | 75%                  | 64%               | Target off track         |
| <b>Service commentary:</b> It's disappointing to see a decline in this area. It can be explained in the same way overall engagement is explained. In 2022 we will be launching our new mental health and wellbeing strategy; within this we will incorporate findings and feedback from Our Voice to make improvements.             |                   |                       |   |       |   |                      |                   |                          |
| 8. Staff Survey: In order to meet my objectives I have the freedom to work in the most productive way                                                                                                                                                                                                                               | 78%               | 78%                   | → | 79%   | → | 83%                  | 76%               | Target off track         |
| <b>Service commentary:</b> This has reduced 2% and can be explained in the same way overall engagement is explained. Understanding the decline in this area will be picked up as part of the work business areas are working to identify key areas for improvement over the next year                                               |                   |                       |   |       |   |                      |                   |                          |
| 9. Staff Survey: I have the opportunity to improve our services by seeking and using feedback from users                                                                                                                                                                                                                            | 66%               | 66%                   | → | 67%   | → | 71%                  | 57%               | Target off track         |
| <b>Service commentary:</b> This is again disappointing to see a decline of 9% for this question and can explained in the same way overall engagement is explained. Understanding the decline in this area will be picked up as part of the work business areas are working to identify key areas for improvement over the next year |                   |                       |   |       |   |                      |                   |                          |

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City of Westminster

## Audit and Performance Committee Report

|                             |                                                                   |
|-----------------------------|-------------------------------------------------------------------|
| <b>Date:</b>                | 16 February 2022                                                  |
| <b>Classification:</b>      | General Release                                                   |
| <b>Title:</b>               | Value for Money assessment of 2020/21 accounts                    |
| <b>Wards Affected:</b>      | All                                                               |
| <b>City for All Summary</b> | External auditor Value for Money (VfM) review of 2020/21 accounts |
| <b>Report of:</b>           | Gerald Almeroth, Executive Director of Finance and Resources      |

### 1. Executive Summary

- 1.1 The Council's audited annual statement of accounts were approved at Audit and Performance Committee on 29 September 2021.
- 1.2 Under National Audit Office (NAO) Code of Practice regulations, external auditors are also required to make a Value for Money assessment to consider that local authorities have put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.
- 1.3 Newly implemented for the 2020/21 financial year, the auditor is no longer required to give a binary qualified / unqualified VfM conclusion. Instead, auditors report in more detail on an authority's overall arrangements, as well as key recommendations on any significant weaknesses in arrangements identified during the audit.

### 2. Recommendations

That Audit and Performance Committee:

- 2.1 considers the findings in Grant Thornton's Value for Money assessment (Appendix 1) and that no significant weaknesses were identified in respect of the three Value for Money assessment categories

### 3. Background

- 3.1 The NAO issued a new Code of Audit Practice which came into force on 1 April 2020 and applies to the 2020/21 audit. The key change is an extension to the framework for VfM work. The NAO prepared Auditor Guidance Note (AGN 03), which sets out detailed guidance on what VfM work needs to be performed.
- 3.2 The new approach to VfM re-focuses the work of local auditors to:
- 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.
- 3.3 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
- **Financial sustainability:** how the body plans and manages its resources to ensure it can continue to deliver its services
  - **Governance:** how the body ensures that it makes informed decisions and properly manages its risks
  - **Improving economy, efficiency and effectiveness:** how the body uses information about its costs and performance to improve the way it manages and delivers its services

### 4. Conclusion

- 4.1 Grant Thornton's conclusion of the Council's Value for Money assessment is provided in Appendix 1.
- 4.2 The Council accepts the findings that no significant weaknesses have been found in respect of financial sustainability, governance or improving economy, efficiency and effectiveness.
- 4.3 The Council accepts any recommendations to continually improve its value for money practices which will be reported back to Audit and Performance Committee in subsequent external audit reviews.

## **5. Implications**

### **Financial Implications:**

5.1. Financial implications are outlined in Appendix 1.

### **Legal Implications:**

5.2. Legal implications are outlined in Appendix 1.

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

Jake Bacchus, [jbacchus@westminster.gov.uk](mailto:jbacchus@westminster.gov.uk)

## **APPENDICES:**

Appendix 1: GT VfM Westminster City Council January 2022

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# Auditor's Annual Report on City of Westminster Council

External Audit financial year ending 31 March 2021

Issued December 2021 and updated in January 2021



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We are required under s 20(1)(c) of the Local Audit and Accountability Act 2014 to satisfy ourselves that the Authority has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. The Code of Audit Practice issued by the National Audit Office (NAO) in 2020 requires us to report to you our commentary relating to proper arrangements.

We report if significant matters have come to our attention. We are not required to consider, nor have we considered, whether all aspects of the Authority's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.



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| A – The responsibilities of the Council                                                                          |      |
| B – An explanatory note on recommendations                                                                       |      |

The contents of this report relate only to the matters which have come to our attention, which we believe need to be reported to you. It is not a comprehensive record of all the relevant matters, which may be subject to change, and in particular we cannot be held responsible to you for reporting all of the risks which may affect the Council or all weaknesses in your internal controls. This report has been prepared solely for your benefit and should not be quoted in whole or in part without our prior written consent. We do not accept any responsibility for any loss occasioned to any third party acting, or refraining from acting on the basis of the content of this report, as this report was not prepared for, nor intended for, any other purpose.

# Executive summary



## Value for money arrangements and key recommendations

Under the National Audit Office (NAO) Code of Audit Practice ('the Code'), we are required to consider whether the Authority has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources. The auditor is no longer required to give a binary qualified / unqualified VFM conclusion. Instead, auditors report in more detail on the Authority's overall arrangements, as well as key recommendations on any significant weaknesses in arrangements identified during the audit.

Auditors are required to report their commentary on the Authority's arrangements under specified criteria. As part of our work, we considered whether there were any risks of significant weakness in the Authority's arrangements for securing economy, efficiency and effectiveness in its use of resources. We identified risks in respect of:

- Financial sustainability
- Governance
- Improving economy, efficiency and effectiveness

| Criteria                                               | Risk assessment                               | Conclusion                                                                                 |
|--------------------------------------------------------|-----------------------------------------------|--------------------------------------------------------------------------------------------|
| <b>Financial sustainability</b>                        | No risks of significant weaknesses identified | No significant weaknesses in arrangements identified.                                      |
| <b>Governance</b>                                      | No risks of significant weaknesses identified | No significant weaknesses in arrangements identified, but improvement recommendations made |
| <b>Improving economy, efficiency and effectiveness</b> | No risks of significant weaknesses identified | No significant weaknesses in arrangements identified, but improvement recommendations made |



### Financial sustainability

The Council is operating in an increasingly uncertain financial environment. For the second successive year, the Comprehensive Spending Review was a single year spending review. Westminster, as with all local authorities, will need to continue to plan with little certainty over funding in the medium term.

Despite this uncertainty, and the challenges posed by COVID-19, the Authority has maintained a good financial position. The Council has put forward a series of proposals which forecast a balanced budget for the following year. However, the MTF5 identifies a funding gap of £43.1 million over the next 3 years. Savings of c£20m per year over the latter two years of the plan will be necessary to address this.

Overall, the Council has a relative amount of capacity to manage variances over the short to medium term. We are satisfied the Council has appropriate arrangements in place to ensure it manages risks to its financial sustainability.

### Governance

Our work this year has focussed on developing a detailed understanding of the governance arrangements in place at the Council and the changes instigated as a response to the pandemic. We found the risk assessment and risk management processes at the Council to be good, and that management are well supported by internal audit.

We also found arrangements for budget setting, budgetary control and ongoing oversight of the budget to be good. The Council has a good set of policies and procedures in place to ensure the Council maintains appropriate legislative and regulatory standards.



### Improving economy, efficiency and effectiveness

The Authority has demonstrated a good understanding of its role in securing economy, efficiency and effectiveness in its use of resources.

The Council's City for All vision was refreshed during the year. The four objectives within this vision are high profile and referred to throughout most of the key strategic documents and reports presented to members, including the budget and MTF5. Additionally, all capital programmes are now described in terms of how they address at least one of the four pillars in the capital strategy programme.

Overall, we are satisfied the Council has appropriate arrangements in place to ensure it manages risks to its oversight in ensuring economy, efficiency and effectiveness in its use of resources.





## Opinion on the financial statements

We have completed our audit of the Council's financial statements issued an unqualified audit opinion following the Audit & Performance Committee meeting on 29<sup>th</sup> September 2021. Our findings are set out in further detail on page 31



# Key recommendations



The NAO Code of Audit Practice requires that where auditors identify significant weaknesses as part of their arrangements to secure value for money they should make recommendations setting out the actions that should be taken by the Authority We have defined these recommendations as 'key recommendations'.

Our work has identified no significant weaknesses in arrangements and therefore we have not made any key recommendations. However we have identified areas for further improvement and these are set out in relevant sections of our report.

The range of recommendations that external auditors can make is explained in Appendix C.



# Commentary on the Authority's arrangements to secure economy, efficiency and effectiveness in its use of resources

All local authorities are responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness from their resources. This includes taking properly informed decisions and managing key operational and financial risks so that they can deliver their objectives and safeguard public money.

Local Authorities report on their arrangements, and the effectiveness of these arrangements as part of their annual governance statement.

Under the Local Audit and Accountability Act 2014, we are required to be satisfied whether the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

The National Audit Office's Auditor Guidance Note (AGN) 3, requires us to assess arrangements under three areas:



## Financial Sustainability

Arrangements for ensuring the Authority can continue to deliver services. This includes planning resources to ensure adequate finances and maintain sustainable levels of spending over the medium term (3-5 years).



## Governance

Arrangements for ensuring that the Authority makes appropriate decisions in the right way. This includes arrangements for budget setting and management, risk management, and ensuring the Authority makes decisions based on appropriate information.



## Improving economy, efficiency and effectiveness

Arrangements for improving the way the Authority delivers its services. This includes arrangements for understanding costs and delivering efficiencies and improving outcomes for service users.



Our commentary on each of these three areas, as well as the impact of Covid-19, is set out on pages 7 to 30.



# Financial sustainability



## We considered how the Council:

- identifies all the significant financial pressures it is facing and builds these into its plans
- plans to bridge its funding gaps and identify achievable savings
- plans its finances to support the sustainable delivery of services in accordance with strategic and statutory priorities
- ensures its financial plan is consistent with other plans such as workforce, capital, investment and other operational planning
- identifies and manages risk to financial resilience, such as unplanned changes in demand and assumptions underlying its plans.

## 2020/21 and ongoing financial pressures

Westminster City Council (the Council) recorded a net deficit of £3.8m for the year. Whilst this was broadly in line with the budget and is an improvement on the outturn which had been expected part way through the year, this represents very little headroom in managing the budget. However, the useable general fund reserves balance remains strong. The Council also has a strong track record in financial management, delivering services within budget, building up its reserves position and producing annual accounts within statutory deadlines.

The Council has seen a steady decline in its funding from the local government funding settlement over the last ten years (a 58% drop-in revenue support grant over the last five years), and the Council's Medium Term Financial Plan (MTFP) is prudent in that it assumes a continuation of this declining trend. Members are therefore made fully aware that the Council's financial plans cannot place reliance on an increasing level of government contributions.

The Council reset its MTFP during the year in recognition of the impact of the pandemic as well as to the in-year update to the Council's strategic objectives.

These and other key assumptions within the plan have been reviewed and deemed to represent a prudent approach. A monthly budget monitoring report is provided to the Executive Leadership Team (ELT) for the consideration of any necessary actions and amendments, and detailed financial monitoring information is provided to the Audit & Performance Committee quarterly, so there is regular scrutiny of the Council's financial position and of the ongoing funding pressures it faces.

Savings schemes totalling £32m have been identified and are being implemented. The MTFP identifies a funding gap up to 2023/24 of a further £43.1m. Savings of approx. £20m per year are identified as being necessary to address this over the latter two years of this plan. The approach to closing this funding gap is regularly discussed within outside of Cabinet meetings with the ELT, Directorate Leadership Teams, the Leader and the Cabinet Member for Finance.

The 2021/22 budget assumes no use of reserves and there is no evidence of an unsustainable planned use of reserves over the course of the MTFP. The Council has adequate provision within its reserves to manage one-off emergencies. We are pleased to note that the Council has set a balanced budget for 2021/22. The impact of Covid-19 on the Council's finances (and nationwide) are still being felt but the Council is prepared to mitigate any 2021/22 pressures through its reserves policy.

The Council had set a capital expenditure budget for 2020/21 of £257m. Whilst the outturn was below this budget (at £135m expenditure), this is in line with the Council's recent performance against a very ambitious capital programme, and actual expenditure is often below budget. We do not consider this underspend to be indicative of a significant weakness in arrangements over the capital programme, but more a reflection of the difficulties faced by all authorities in carrying out their planned capital works during the pandemic.. We will review this again during our 2021/22 audit.

# Financial sustainability

## Savings plans

The original 2020/21 budget included £18.9m of savings schemes to be delivered in 2020/21. These were to be achieved through a combination of financing, commercial, transformation and efficiency activities. However, the impact of the pandemic has meant that a number of these savings have been delayed or are no longer considered deliverable. A total of £5.6m of savings which were due in 2020/21 were not delivered. The majority of these undelivered savings were related to income lost from the Council's leisure management contract, and lower growth in property income and outdoor media advertising. The pressures from these undeliverable and delayed savings have been rolled forward into the 2021/22 budget.

Where there is an identified funding gap of £43.1m over the MTFP period, ongoing work is being carried out to identify pressures, possible efficiencies and any slippages. This will require a high level of ongoing monitoring from those charged with governance (TCWG). Presently, Cabinet is provided with monthly updates on funding, pressures and efficiencies and forecast budget variances. Currently there is still a shortfall in savings between those identified and those considered necessary, and this will continue to be a key focus in financial planning.

As these funding pressures have been identified by the Council and are being addressed within the Council's financial plans, this does not point to a significant weakness in the arrangements in place, albeit there remains a risk in terms of the financial pressures being faced by the Council.

## Financial Planning

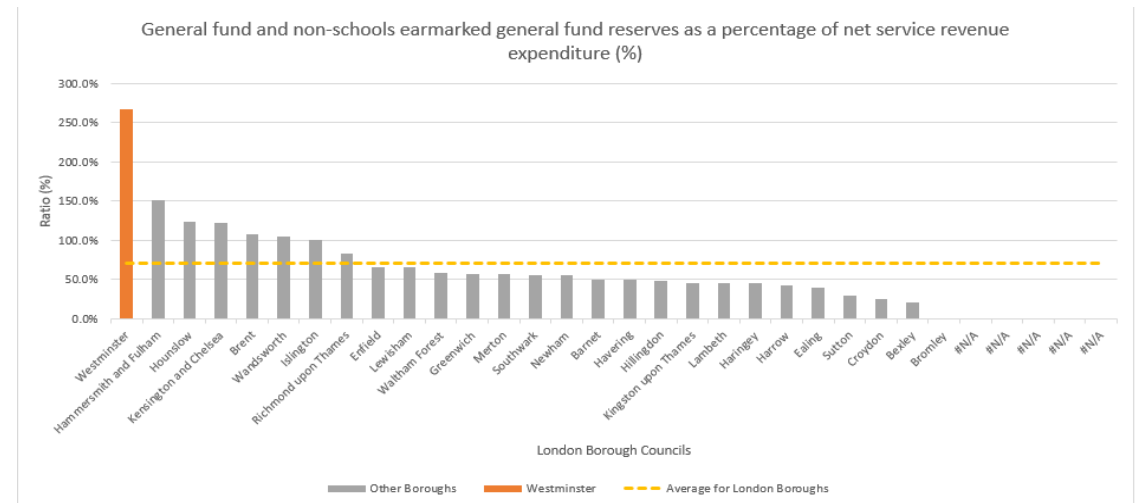
The 2021/22 budget includes a 0.5% increase in Council Tax, plus a 3% increase in the ASC precept. This increase will help the Council to continue to deliver services for all residents but still maintains the Council's position as having the lowest rate of council tax in England.

The budget and MTFP have been designed to be integrated with the core strategic priorities of the Council (its City for All vision). This planning aims to provide a framework to invest in the Plan's broader ambitions and long term priorities, as well as the recovery from COVID-19.

The capital programme and HRA strategy also support the Council's corporate priorities. There is a good level of reporting on the outturn against these programmes and how these have met or supported the four pillars of the Council's City for All vision.

In year there was a transfer of £444m to an earmarked Business Rates Deficit / s.31 reserve. This is an accounting adjustment due to the collection fund and is reduced to zero in 2021/22 – therefore it does not form part of any reserves balance that can be used for general purposes. Total usable reserves now stand at £1.24bn

The Council compares favourably to other London Boroughs in terms of its reserves position, with its percentage of general fund and earmarked reserves at 250% of net service revenue expenditure, significantly above the levels held by all other London Boroughs.



Looking at this reserves position, the Council might consider whether these are, in fact, too high, and whether some funds could be directed to services and to further service improvements. We have not recommended that here, as there is no risk to financial stability, but this level of reserves could present an opportunity to reconsider some spending priorities.



# Financial sustainability

As well as the provision of statutory services, Cabinet are asked to approve the decision to voluntarily contribute towards supporting discretionary services that support the three priorities of youth services, helping rough sleepers off the streets and helping people who are lonely and isolated. These are within the narrative sections of the report to cabinet. Discretionary housing payments are also set out within the budget.

## Managing risks to financial resilience

Risks are considered within the budget and MTFP and the quarterly performance reporting to the Audit & Performance Committee also highlights these risks. These include the risks of financial pressures meaning services cannot be fully funded. The Council is satisfied that its Medium-Term Planning process is a mitigating action to ensure the Council balances its budget and identifies savings that can be made. We have seen this, and also that the capital programme and strategy has separate appendices setting out the assumptions behind the plan and the risks to the plan.

In addition, each lead portfolio member (Chair of the relevant committee) is closely involved in developing and setting the budget for their service area. Risks are discussed at length as part of this process. Overall, members are presented with a good understanding of the risks.

The Council also has a Treasury Management Strategy and an Investment Management Strategy. These both indicate the Council has a cautious approach to investments, seeking to minimise risk rather than prioritising investment returns. And whilst there are wholly owned subsidiary companies at the Council, the Council did not place reliance on income from these companies in the 2020/21 budget. This is also indicative of a cautious approach.

Our work confirms that the budget process is robust, that there is wide consultation across the Council in developing the budget and that challenge mechanisms are in place, from the Executive Leadership Team and from the scrutiny offered by the Budget Task Group, in addition to the challenge provided generally by members.

## Conclusion

**Overall, the Council has a strong capacity to manage variances over the short to medium term. We are satisfied the Council has appropriate arrangements in place to ensure it manages risks to its financial sustainability.**



# Governance



## We considered how the Council:

- monitors and assesses risk and gains assurance over the effective operation of internal controls, including arrangements to prevent and detect fraud
- approaches and carries out its annual budget setting process
- ensures effectiveness processes and systems are in place to ensure budgetary control
- ensures it makes properly informed decisions, supported by appropriate evidence and allowing for challenge and transparency
- monitors and ensures appropriate standards.

## Monitoring and assessing risk

The Council has a detailed risk register in place. This sets out risks by directorate. This register contains a lot of information, and describes both the risk and its potential impact and whether each risk could impact any of the City Vision's four pillars. Risks are given an impact and likelihood score, and tolerance to these risks (reduce or accept) is categorised. Those classified as 'accept' appear reasonable (areas not within the Council's direct control, such as flooding, no-deal Brexit impacts etc), but it is good these are included and assessed for impact here.

A scoring matrix is provided which ensures risk coordinators are consistent across the Council in their scoring decisions. The risks are reviewed quarterly and signed off by the ELT Director. This is then quality assured by the Strategy & Intelligence Team who are responsible for the production and maintenance of the risk register.

Each risk is also assigned a proximity (when this could materialise, from within a month to in more than a year) and any mitigating controls are set out. Each risk is assigned to a named officer as the risk owner and a risk coordinator is also named. The risk coordinator is the risk manager in charge of the mitigations and oversight of the risk. The risk owner is usually the ELT Director who also has ultimate responsibility for deciding whether a risk is archived.

Any risks which score over 12/25 is eligible for inclusion in the quarterly monitoring report, which goes to the Audit & Performance Committee for consideration. This provides an ongoing review by members of the key strategic risks. This is good as it highlights any changes these strategic risks from those reported in the previous quarter. Whilst the actual risk register is thorough, relevant and well researched, much of the detail around the key strategic risks reported to members could be enhanced. We have made an improvement recommendation on this.

Internal Audit is provided by a shared services team which operates across three London Boroughs. This service also provides a counter-fraud service. The Internal Audit annual report contains the opinion of the Chief Internal Auditor and provides "reasonable assurance" there is "an adequate and effective framework of governance, risk management and internal control" for the 2020/21 year. In addition, Counter Fraud Specialists undertake a programme of work, including a mix of proactive and investigatory work. Findings are reported appropriately. There have been only minor instances of fraud identified as being perpetrated in 2020/21, with 110 proven cases (220 in 2019/20) assigned a notional value of £280k.

The Audit & Performance Committee receive quarterly updates from Internal Audit setting out the work they have completed in the quarter, the assurance ratings on each of their reports and the action plans in place against their recommendations, so there is good oversight of the work of this service.

27 Internal Audit reports were completed over the year, with a further seven school audits completed. 95% of audits undertaken resulted in a positive (substantial or satisfactory) assurance opinion (2019/20 83%). There is a good acceptance of recommendations, with most (93%) being accepted and fully implemented by management. Only one area, Adult Social Care Direct Payments received a "limited assurance" conclusion. This finding was additionally reported in the Council's annual governance statement, so this one area of non-compliance has been given an appropriately high level of scrutiny and is due to be followed up by internal audit in the current year.

# Governance

Overall, Internal Audit are satisfied their procedures for drawing up the annual internal audit plan are sound and capture the relevant risks across the council. This is based on a close integration with management. Internal Audit meet quarterly with managers to review the risks and issues in their area and to jointly assess whether the level of internal audit work being carried out or planned remains appropriate. These meetings represent an opportunity to capture emerging issues and to discuss new or proposed legislation or regulations which will impact the Council. As the Internal Audit service works across three boroughs and are part of a pan-London network, they use these interactions to check they have captured emerging issues within local government, including new legislation.

Whilst Internal Audit produce an annual plan, this can be flexible as they now have a 3+9 approach whereby there is scope to amend the work in the final quarter as necessary. Key systems always remain within the audit plan. Internal audit provide the expected level of coverage of the key financial systems and work well with management to ensure their work includes all key systems and risks.

## Budget Setting Process

The development of the budget is highly collaborative. This starts in July when the Finance team engages with directorates, budget options are discussed and any budget gaps are identified. Executive Directors hold overall responsibility for the budget of their Directorate.

There is also an internal refresh of the MTFP discussed between budget holders and finance, then in November, each Cabinet portfolio member (Chair of the relevant Committee) has a challenge session called a 'Member's Review Session'. As well as the portfolio holder, these meetings include the Lead Member for Finance, the s151 officer (and deputy), the Chair of the Audit Committee and the Council CEO. These sessions provide plenty of opportunity for challenge and review of both the budget, savings, timelines, political considerations, dependencies, investment requirements and RAG ratings etc. They are also provided with information on pressures and investments. Where extra money (or investments) have been requested, these are subject to additional challenge at these meetings.

The information provided to portfolio holders includes a lot of detail is provided here, with each line of the budget set out. As portfolios now align to the Directorate structure, there is a direct correlation between the portfolio holder's remit and the budget.

Informal Cabinet meetings are also held during the budget setting process to discuss emerging issues and any inputs from the Budget Task Group, a scrutiny group which meets during the budget setting process to provide additional scrutiny and challenge.

The budget setting processes at the Council are appropriate and in line with what we would expect to see for a Council of this size. There is a good level of ownership of and involvement in the budget setting and monitoring process, from budget holders, through executive directors and up to members.

## Budgetary control

Individual budget holders have clear roles and responsibilities (these were subject to a detailed refresh when HANTS started working with the Council). Those with the higher risk budgets have ongoing monthly sessions with finance (these are slightly less frequent for the lower value, less complicated and/or less risky budgets).

Every month, budget holders are provided with their budget report, called their 'monitor'. As well as monthly figures, this report sets out expected outturn positions. Variances are followed up in meetings with finance. This monthly information together with meetings with Finance, provides enough timely information to budget holders to enable them to act promptly in managing their budgets.

The Executive Leadership Team holds weekly meetings. The Director of Corporate Finance attends these meetings and presents ongoing and updated budget reports to this group.

The Audit & Performance Committee receives financial monitoring reports throughout the year, and the Cabinet receives the draft budget for consideration and the final budget and MTFP for approval. This reporting to Cabinet is very detailed. The MTFP includes multiple appendices. However, this is in line with what we have seen at other authorities and provides enough information to inform decision making. There is not an excessive amount of detail as the budget information is at a relatively high level.

There is also an annual Treasury Management Report made to Cabinet. This sets out the Council's strategy to focus on low-risk investments utilising cash received in advance. Treasury management information is also included in the quarterly financial reports considered by the Audit & Performance Committee.

The Council has a good liquidity position. Borrowings are considered within the reporting on the capital programme and the expenditure incurred. The Council's Capital Strategy sets out the Council's long term capital investment plans over the next 15 years – up to 2034/35, and proposes a gross budget of £2.862bn with a net borrowing requirement of £1.629bn. This is set out in the MTFP, although there is limited reporting on borrowing as there was no additional net external borrowing in the 2020/21 year. This reporting is adequate and complies with both CIPFA and legislative reporting requirements.

The governance around the Capital Programme is now led by the Capital Review Group (CRG). This group reviews the strategic direction of the programme and ensures outcomes are aligned with the City for All strategy.

# Governance

## Leadership and committee effectiveness/decision making

Appropriate leadership is in place. The Council operates under a Leader/Cabinet system. Councillors are supported by the Executive Leadership Team (ELT), which is headed by the Council's Chief Executive. The ELT is responsible for the overall leadership and management of the Council, for setting and monitoring overall strategic direction and for ensuring high performance in the delivery of council services

In addition, there are scrutiny committees which hold the Cabinet to account.

The work of the Council's committees is governed by the constitution. This constitution is regularly reviewed and updated. The constitution is shared with all staff members on joining and is openly available on the Council's website. The Annual Governance Statement needs to be read alongside the Council's constitution, which sets out how the Council operates, how decisions are made and the policies which are followed to ensure that these are efficient, transparent and accountable to local people. There is a good level of engagement with the local community and with stakeholders, although it is not clear in public facing documentation how any such feedback has been used to inform decision making. We have included an improvement recommendation on this.

There is a good suite of policies in place, covering anti-fraud and corruption, and the Council has an established antifraud culture. We have identified some opportunities to strengthen these with a recommendation for a central register of members' interests as is the case for gifts and hospitality, where declared items are published together on the Council's website.



## Monitoring and ensuring appropriate standards

The annual governance statement is compliant with the CIPFA code. An appropriate level of care is taken to ensure the Council's policies and procedures comply with all relevant codes and legislative frameworks.

The Monitoring Officer is the Council's Director of Law who, with the Chief Executive, is responsible for ensuring legality and promoting high standards of public conduct. The council asserts that they have arrangements in place to meet all relevant requirements of the CIPFA/Solace Framework.

Codes of Conduct for members and officers reinforce a public service ethos and high standards of behaviour. These are supported by more detailed guidance such as, Anti-Fraud, Bribery and Corruption Strategies, as well as Whistleblowing Procedures and a Procurement Code. The Monitoring Officer and Section 151 Officer both have specific responsibilities to ensure that Council decisions meet legal requirements.

The gifts and hospitality policy compares favourably with others seen in that gifts and hospitality declined must be declared alongside that which has been received. This demonstrates a high level of standards of expected behaviour and of transparency.

All decisions referred to members are set out using a template. That template includes legal and regulatory implications. This requires legal advice to be obtained or confirmed before all decisions are taken, to ensure decisions are appropriate.

An annual report on ethical standards is produced. The latest report notes that there is no evidence of "systemic weaknesses or problems of unethical conduct in the Council or in any particular department". Breaches, potential breaches and actions taken in investigating all cases are set out in this report.

## Marble arch project

The Marble Arch project straddles 2020/21 and 2021/22 financial year. This project was commissioned in 2020/21, with the financial spend of circa £6million incurred in 2021/22, and in January 2022 the project ended. The project governance and decision making took place at a time of Covid emergency powers, allowing Council's to make decisions, in an unusual situation. As a result of the project the Council received increased media scrutiny, and the project has impacted on the Council's reputation. A review was undertaken by the Council, published and considered by Members in October 2021. This identified recommendations for the Council to take forward, learning lessons from the project. Our VFM work in 2021/22 will consider the progress Officers are making in implementing the recommendations.

## Conclusion

Overall, the Council has good policies in place to promote and maintain good standards of governance.

# Improvement recommendation



## Governance

|                           |                                                                                                                                                                                                                                                                                                    |
|---------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Recommendation</b>     | Whilst interests declared by members are available on their individual biographies on the website, the Council should consider the creation of a central, online register of members' interests. This would enable a review of the interests of the Cabinet or of a specific Committee as a whole. |
| <b>Why/impact</b>         | Having to check each member separately is piecemeal and makes it difficult to confirm the overall complexion of interests held.                                                                                                                                                                    |
| <b>Auditor judgement</b>  | It is not immediately apparent if there are a number of interests or similar interests held by any particular committee or political grouping.                                                                                                                                                     |
| <b>Summary findings</b>   | A full register of members interests is not available online as a single document. Transparency could be improved by making this information available in a single place online.                                                                                                                   |
| <b>Management comment</b> | The Council will consider this recommendation for 2022/23 financial year                                                                                                                                                                                                                           |



The range of recommendations that external auditors can make is explained in Appendix B.

# Improving economy, efficiency and effectiveness



## We considered how the Council:

- uses financial and performance information to assess performance to identify areas for improvement
- evaluates the services it provides to assess performance and identify areas for improvement
- ensures it delivers its role within significant partnerships, engages with stakeholders, monitors performance against expectations and ensures action is taken where necessary to improve
- ensures that it commissions or procures services in accordance with relevant legislation, professional standards and internal policies, and assesses whether it is realising the expected benefits.

## Performance review, monitoring and assessment

The Council's 'City for All' strategy was refreshed during the year. This sets out the four key 'priority objectives' of

- Thriving economy
- Greener and cleaner
- Vibrant communities
- Smart City

These four objectives are high profile and referred to throughout most of the key strategic documents and reports presented to members, including the budget and MTFP

There are quarterly performance reports to the Audit & Performance Committee which track the outcomes of Council activities. These are set out against key performance indicators and include detailed commentaries on associated risks, achievements and other issues. These reports also highlight remedial actions being taken where slippage does occur. Senior Management and Members (via Scrutiny Committees and the Audit & Performance Committee), ensure the Council remains focused on achieving its agreed objectives and priorities. Regular reporting also goes to the Innovation and Change Board which is made up of ELT members. This provides an update on how the Council is progressing against its strategic indicators and outcomes.

These KPIs are well contextualised. The main ones are set out by service directorate. These KPIs are particularly helpful, as each is accompanied by the prior year outturn KPI for context, and each is reported against a target range, which sets out a minimum, ideal and aspirational percentage against which the Council can be assessed. In addition, there are four categories of RAG rating against which each KPI is measured. These are; target missed, target exceeded, target achieved and minimum standard met.

This enables a good assessment of the Council's performance. The narrative commentary, which is very informative, pulls out any key findings from the year. We are satisfied that KPI and performance reporting is strong at the Council

The Council has an ambitious capital strategy with a five-year capital investment programme totalling £1.6bn, with a further £2bn allocated to the HRA programme. The Council's long-term capital investment is underpinned by the objectives of City for All. This overall capital programme is agreed by Cabinet on an annual basis and the reporting on this provides updates on the progress against the plan, costs, sources of funding and the progress of key projects.

The revenue implications of capital projects are also set out here, so members are provided with a detailed oversight of the capital programme, how this ties back to the corporate strategy, the capital and revenue costs of the strategy, the budgetary impacts and how this is all to be funded.

# Improving economy, efficiency and effectiveness

There is a rigorous, formal process for the approval of capital projects. The Capital Review Group (CRG) oversees the capital programme with approval of the annual plan within the capital strategy and the HRA business plan. This group also have oversight of the capital contingencies budget which exists to ensure the capital programme can absorb any unplanned additional costs such as inflationary impacts. The CRG is a member-led internal review group, chaired by the Cabinet Member for Finance. This provides initial approval to earmark the capital spend (and the revenue costs associated with financing this spend).

In year, any capital projects in excess of £1.5m spend must then be individually put before the relevant portfolio holder in Cabinet at the CRG. This Cabinet member report is a public document which triggers approval of the actual expenditure and a release of the cash. There is delegated approval to the relevant Directorate's Executive Director for the sign off of projects below £1.5m which had been approved by CRG within the capital programme .

Projects costing £5-10m go through a business case process before coming before the CRG. For projects over £10m, a full Treasury Green Book evaluation must be completed and submitted to the CRG for approval.

Capital expenditure is detailed in the monthly Monitor reports to ELT. In addition, the Audit & Performance Committee receives a summary of the capital outturn reports within the quarterly finance information included in the performance monitoring report. These capex monitor reports are taken to CRG at least quarterly. This is where we would expect to see a challenge of overspends. In fact, at the Council there has been an underspend against the capital programme in recent years, so they challenge of late has been more about the slippage seen and how to get projects back on track.

There is a good level of oversight of the capital programme and capital projects.

## Benchmarking and performance evaluation

In March 2021 the Council refreshed its City for All Vision and Strategy to re-align its priorities following the Covid-19 outbreak. A new pillar, thriving economy, was developed in response to COVID so this is evidence strategic priorities have been recently evaluated and reviewed for relevance. The four pillars of this strategy are referred to throughout the reports submitted to members and appear to be at the forefront of the thinking behind information presented to members to inform their decisions.

Whilst the Council acknowledges that there was less benchmarking during the pandemic year as this information was not as up to date, useful or relevant as would have been ideal, there has been ongoing liaison with quarterly meetings with the London Councils Performance Network which provides an opportunity to compare and interrogate KPIs. There are also references to evaluation against London-wide trends and national trends in the narrative commentary within the quarterly performance reports seen by the Audit & Performance Committee. These show some element of benchmarking and comparison against other local authorities was maintained during the pandemic.



# Improving economy, efficiency and effectiveness

## Partnership working

Partnership working is a strong theme within the City for All strategy. A refreshed strategy is due to be published in March 2022. The strategy itself reflects significant engagement with partners and residents. To support partnership working the Council has established a new Communities function, led by a Director of Communities. Stakeholder feedback is sought throughout the year from many sources including the city survey, resident panels, resident engagement sessions, and open forum sessions for example.

The Council continues to recognise the importance of partnership working and community engagement including continuing to improve engagement with communities, to make sure services address stakeholder needs, alongside improving engagement. The Communities function will also strength the arrangements across all Council areas, internally, on capturing and reporting on partnership working. Recognising the new function and ongoing developments this is an area we will further consider in our 2021/22 VFM work.

The Council works with Voluntary, Community and Faith Sector (VCFS) bodies. As well as commissioning these bodies to work with residents and other bodies, the Council also provides funding to support the VCFS infrastructure locally. However, there is not a central register of grants issued by the Council. Having a central oversight of the amount and type of grant funded activities could provide an insight to members on what grant funded activities are occurring within the Borough. There could also be closer networking and integration of those overseeing the work of grant funded bodies (as is being developed for contract managers. We have made improvement recommendations in both these areas.

Some of the Council's strategic aims are delivered through its wholly owned subsidiary companies. There is good monitoring and oversight over the projects being delivered by these companies. The Council has identified further opportunities to improve the governance arrangements over these subsidiaries, which we will consider in 2021/22 on how those arrangements are embedded.

## Procurement

In 2019/20, the Council made a decision to invest in its procurement function. One of the initiatives from this was to invest in a new leadership team. As this team was recruited over the course of 2020/21, the Council has been on an 'improvement journey' in terms of its procurement functions. Now, within each of the Directorates is a Head of Commercial. This is a senior post supporting teams within each directorate on procurement and contracting arrangements. Recently, there has been the introduction of Procurement Boards, at which Heads of Commercial meet with the procurement team specialist within the Council to identify training needs, consider contract governance arrangements and to consider ways to improve procurement activities. These were implemented in the final quarter of 2020/21 and are an output of the work undertaken during that year to identify opportunities to improve the procedures in place.

There is a procurement code in place. This has been recently reviewed and updated. This sets out that the required type of procurement activity is determined by the contract risk (the definition of high risk includes all contracts over £100k, as well as other features which may point to a more unusual risk). Responsibility for contract management rests with 'commissioners' (also called 'contract owners' in the Code). They are supported by the Procurement and Commercial Service team who are tasked with providing support and technical inputs throughout the process. Ethical procurement requirements are set out in the Code (under "Responsible Procurement") and contract terms and conditions for contracts over £100k include statements around the Council's ethical procurement expectations.

There is now a Commercial Gateway Review Board (CGRB) at which all proposed high risk contracts are reviewed. Contract managers must submit a bid to the CGRB for the proposed contract to be agreed to proceed to procurement. This bid must detail the rationale behind the proposed contract, together with the VFM and risk management considerations.

Over the year there has been work to build a contracts register. In 2020/21 contracts were registered and stored on the CapE system. This included the names of contract owners. As at the end of March 2021, this register included over 90% of contracts over £100k, compared with less than 50% of these contracts when the project began in 2020. The introduction of the standardised 'Gate' process should now allow better tracking of when contracts are created although we understand this process could be improved. We have included this as an improvement recommendation.

The Audit & Performance Committee received a new format of contract monitoring report in September 2020. This is a good report setting out an assessment of contracts, with 14 being rated as above expectation and three as below expectation, together with reasons for these ratings.

## Conclusion

**Overall, we are satisfied the Council has appropriate arrangements in place to ensure it manages risks to its oversight in ensuring economy, efficiency and effectiveness in its use of resources.**



# Improvement recommendation



## Improving economy, efficiency and effectiveness

**Recommendation** Work should continue to ensure the completeness of the contracts register to ensure it contains details of all contracts over £100k and all contract owners. The roles and responsibilities around maintaining this CapE register should be formalised and implemented. Consideration should also be given to including grant funded contracts with the voluntary, community and faith sectors in a similar database or register.

All those charged with the management and monitoring of contracts with the voluntary, community and faith sector (VCFS) should be offered annual training regarding best practice in managing these relationships. This should include establishing and monitoring KPIs for service providers in this sector.

**Why/impact** There is not yet a complete data set over contracts in use. This prevents useful management information from being produced or provided to members on the contracts in place. A register of contract owners would enable better networking and knowledge sharing between contract managers.

Training would provide an opportunity to knowledge share and to share best practices. This should also ensure contract managers are provided with an opportunity to consider whether their contract monitoring could be improved.

**Auditor judgement** The Council only started to create a formal contracts register during 2020/21. Members are unable to consider the quantum or type of work being contracted out without this information.

**Summary findings** The contracts register is incomplete and does not detail all contracts in use by the Council.

**Management comment** The contract register has much improved coverage of larger contracts over £100k. Phase 2 will now look at any gaps in critical information for suppliers where contract or grant expenditure exceeds £75k per year. The contract register is available to all contract managers to improve accessibility and data quality. For contract managers a range of templates have been produced (KPIs and social value) and an online contract manager training module is being launched.



# COVID-19 arrangements



Since March 2020 COVID-19 has had a significant impact on the population as a whole and how local government services are delivered.

We have considered how the Council's arrangements have adapted to respond to the new risks they are facing.

## Financial sustainability

The impact of COVID-19 has cut across the Council, impacting both its income in the collection rates of housing rents, Council Tax and Business Rates, and notably a significant fall in its sales, fees and charges income. Expenditure by the Council has seen additional pressures, most notably on adult social care.

The additional funding offered by government to offset the impact of COVID-19 was £55m, to cover both lost income and additional expenditure incurred. At the year end, the Council recorded an overspend of £3.8m. This overspend was significantly reduced during the year, as monthly oversight by the ELT and regular financial reporting to members meant an ongoing process of challenge provided opportunities to identify and implement savings and efficiencies during the year.

The Council has maintained a good oversight of its COVID-19 related costs and income losses. These were identified early on and subject to detailed monitoring and scrutiny. The MTFP was reviewed and updated during the year, and additional work on the financial impact of COVID was set out to members in a financial framework document, which re-iterated approval levels for expenditure but required additional input from the Executive Director of Finance & Resources and the decision-making bodies (SILVER and GOLD) to ensure oversight of COVID-specific expenditure commitments.

Despite the 'cushion' of emergency COVID funding from government, the Council expects these financial pressures to be ongoing. Whilst it has set a balanced budget for 2021/22, with savings and efficiencies built in, the Council will undoubtedly need to maintain a high level of monitoring and scrutiny over its finances in order to achieve this budget.

## Governance

While the Council generally maintained a business-as-usual approach to its governance arrangements during the pandemic, some adjustments were required. As a result of the lockdown restrictions announced in March 2020, the Council adjusted some of its internal control processes to support effective governance throughout the pandemic. As soon as these were lawful, the Council started holding members' meetings online.

All committees have maintained a keen interest in the Council's response to the pandemic.

Commencement of the 2020/21 internal audit work plan was slightly delayed by the pandemic as priorities and resources within the Council were focused on the response required to support their residents and businesses. This slight delay did not impact significantly on the delivery of an appropriate level of internal audit coverage during the year and the service was not adversely impacted by the need to work remotely.

Internal audit have acted in an advisory capacity throughout, where processes and systems have had to adapt to changed circumstances. Internal audit also demonstrated it can offer a responsive service, delaying the commencement of its annual plan to consider the changed circumstances. However, as many Council staff were already set up to work from home, there was not a need for urgent unplanned adaptations to key financial systems at the start of the pandemic, and these changes were mainly around the use of prepaid cards to provide food and medication to shielding residents.

Despite delay to starting planned work, internal audit still completed 27 audits in the year and a further 7 schools audits, which was in line with the original internal audit plan. Additional, unplanned reviews were carried out on COVID income compensation schemes. As The Council suffered a significant reduction in income during the pandemic, this area was given a high priority to reduce the risk of errors resulting in clawback of those monies. Internal audit reviewed the compensation claims made by the Council and the data behind those claims to provide this assurance.

Internal audit did not identify any serious weaknesses in internal controls as a result of COVID adaptations or challenges over the course of the year.

# COVID-19 arrangements

All office-based staff were provided with the necessary equipment to work from home, enabling a smooth transition to remote working where this was possible. Home-based working has continued throughout the pandemic and there has been a good level of continuity of service. Enabling staff to work from home also supported the Council in protecting its frontline staff and residents by reducing the risk of virus transmission. PPE was also sourced and provided to all Council staff where this was deemed necessary.

## Improving economy, efficiency and effectiveness

The Council has been mindful of the impact of the pandemic on its most important resource, its staff. Actions have been put in place to support staff wellbeing and supporting staff remains a key priority for the Council. In aiming to support staff wellbeing, the Council has been able to maintain an efficient and effective delivery of its statutory services.

The Council maintained a high level of performance monitoring during the pandemic, with quarterly performance reports provided to the Audit & Performance committee. There was a high level of challenge within these reports, with examples where KPIs appeared good being challenged in the narrative commentary, reminding members that the pandemic may have had a perverse impact on the performance reported. For example, the number of looked after children continued to fall. But it was pointed out this could have been as the amount of contact between vulnerable children and key partners (such as schools) would have reduced and could mean children in need of support were not identified. This is good, and shows the Council did not demonstrate complacency during the pandemic, even where their KPIs appeared positive.

Partnership working is a key theme of the Organisation Strategy, and work with community partners increased during the pandemic. This is set out in the reporting to those charged with governance. The Council has been working closely to maximise support to communities and has given grants to support the pandemic response and recovery.

## Conclusion

**Our review has not identified any significant weaknesses in the Authority's VFM arrangements for responding to the Covid-19 pandemic.**



# Opinion on the financial statements



## Audit opinion on the financial statements

We have substantially completed our audit of the Council's financial statements and plan to issue an unqualified audit opinion following the Audit & Performance Committee meeting on 29 September 2021.

## Other opinion/key findings

We have not identified any significant unadjusted findings in relation to other information produced by the Council, including the Narrative Report, Annual Governance Statement or the Pension Fund financial statements.

## Audit Findings Report

More detailed findings can be found in our AFR, which was published and reported to the Council's Audit & Performance Committee on 29 September 2021.

## Issues arising from the accounts

All adjusted and unadjusted misstatements identified for the Council's 2020/21 financial statements are disclosed in the 2020/21 Audit Findings Report, Appendix C.

## Preparation of the accounts

The Council provided draft accounts in line with the national deadline. The quality of the draft financial statements and on the whole the supporting working papers continue to be of a good standard.

## Whole of Government Accounts

To support the audit of the Whole of Government Accounts (WGA), we are required to review and report on the WGA return prepared by the Council. This work includes performing specified procedures under group audit instructions issued by the National Audit Office.

We will complete our work on the Whole of Government Accounts consolidation pack in line with the national deadline.

## Grant Thornton provides an independent opinion on whether the accounts are:

- True and fair
- Prepared in accordance with relevant accounting standards
- Prepared in accordance with relevant UK legislation.



# Appendices

# Appendix A - Responsibilities of the Council



## Role of the Chief Financial Officer (or equivalent):

- Preparation of the statement of accounts
- Assessing the Council's ability to continue to operate as a going concern

Public bodies spending taxpayers' money are accountable for their stewardship of the resources entrusted to them. They should account properly for their use of resources and manage themselves well so that the public can be confident.

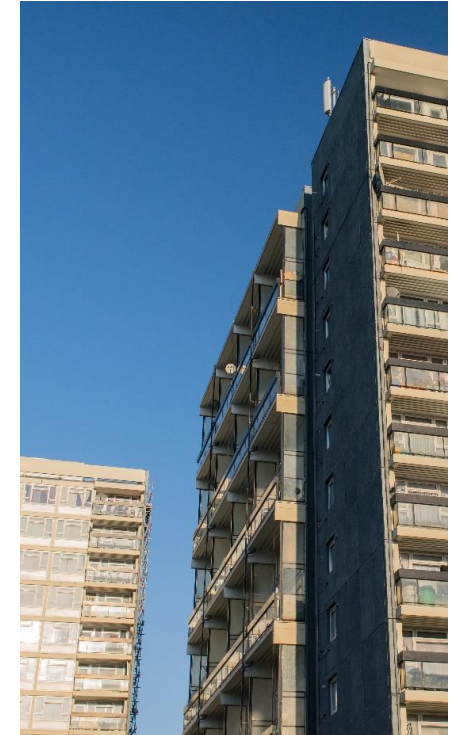
Financial statements are the main way in which local public bodies account for how they use their resources. Local public bodies are required to prepare and publish financial statements setting out their financial performance for the year. To do this, bodies need to maintain proper accounting records and ensure they have effective systems of internal control.

All local public bodies are responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness from their resources. This includes taking properly informed decisions and managing key operational and financial risks so that they can deliver their objectives and safeguard public money. Local public bodies report on their arrangements, and the effectiveness with which the arrangements are operating, as part of their annual governance statement.

The Chief Financial Officer (or equivalent) is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Chief Financial Officer (or equivalent) determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Chief Financial Officer (or equivalent) or equivalent is required to prepare the financial statements in accordance with proper practices as set out in the CIPFA/LASAAC code of practice on local authority accounting in the United Kingdom. In preparing the financial statements, the Chief Financial Officer (or equivalent) is responsible for assessing the Council's ability to continue as a going concern and use the going concern basis of accounting unless there is an intention by government that the services provided by the Council will no longer be provided.

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



# Appendix B - An explanatory note on recommendations

A range of different recommendations can be raised by the Council's auditors as follows:

| Type of recommendation | Background                                                                                                                                                                                                                                                                                                        | Raised within this report | Page reference                            |
|------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|-------------------------------------------|
| Statutory              | Written recommendations to the Council under Section 24 (Schedule 7) of the Local Audit and Accountability Act 2014. A recommendation under schedule 7 requires the Council to discuss and respond publicly to the report.                                                                                        | No                        | N/A                                       |
| Key                    | The NAO Code of Audit Practice requires that where auditors identify significant weaknesses as part of their arrangements to secure value for money they should make recommendations setting out the actions that should be taken by the Council. We have defined these recommendations as 'key recommendations'. | None identified           | N/a                                       |
| Improvement            | These recommendations, if implemented should improve the arrangements in place at the Council, but are not a result of identifying significant weaknesses in the Council's arrangements.                                                                                                                          | Yes                       | FS 10-12<br>Governance 17-19<br>3Es 23-28 |







City of Westminster

## Audit and Performance Committee Report

|                             |                                                                               |
|-----------------------------|-------------------------------------------------------------------------------|
| <b>Date:</b>                | 16 February 2022                                                              |
| <b>Classification:</b>      | General Release                                                               |
| <b>Title:</b>               | Appointment of External Auditors for 2022/23 onwards                          |
| <b>Wards Affected:</b>      | All                                                                           |
| <b>City for All Summary</b> | External auditor requirements for the Council's annual statements of accounts |
| <b>Financial Summary:</b>   | This report recommends the approach to appoint external auditors from 2022/23 |
| <b>Report of:</b>           | Gerald Almeroth, Executive Director of Finance and Resources                  |

### 1. Executive Summary

- 1.1 Following consideration of the arrangements for appointing an external auditor from the financial year 2023/24, Audit and Performance Committee is asked to recommend to Full Council the proposal to accept the Public Sector Audit Appointments (PSAA) invitation to use its framework to appoint external auditor for five financial years commencing 1 April 2023.
- 1.2 The PSAA is a company set up by the Local Government Association in 2014. In 2016, the Secretary of State for Housing Communities and Local Government (now Department of Levelling Up, Housing and Communities – DLUHC) specified PSAA as an appointing person for principal local government and police bodies for audits from 2018/19, under the provisions of the Local Audit and Accountability Act 2014 and the Local Audit (Appointing Person) Regulations 2015.
- 1.3 Acting in accordance with this role PSAA is responsible for appointing an auditor and setting scales of fees for relevant principal authorities that have chosen to opt into its national scheme.
- 1.4 It is well documented that the local government audit landscape has become increasingly challenging with an increasing number of authorities failing to achieve the accounts sign-off deadline. For the 2020/21

financial year, only 9% of English authorities signed their accounts by 30 September 2021 deadline. Westminster City Council was within that 9% to make the deadline.

## **2. Recommendations**

- 2.1 That Audit and Performance Committee considers the officers' recommendation to accept the Public Sector Audit Appointments (PSAA) invitation to 'opt in' to the sector led option for the appointment of external auditors for five financial years commencing 1 April 2023 and propose that recommendation to Full Council.
- 2.2 Note that Audit and Performance Committee's recommendation will be included in the Council's annual budget report to Full Council on 2 March 2022.
- 2.3 That Audit and Performance Committee recommend to Full Council to delegate authority to the Executive Director of Finance and Resources to respond to the invitation and take the necessary steps to finalise the appointment itself following the PSAA procurement process.

## **3. Options**

- 3.1 The Audit and Performance Committee report dated 1 December set out the background and current challenging state of the Local Government audit landscape.
- 3.2 The Council has three options to appoint an external auditor from 1 April 2023:
  1. To undertake a procurement process itself and appoint its own external auditor, or
  2. Undertake a joint procurement with other bodies, or
  3. To opt into a national collective scheme that PSAA is developing.
- 3.3 The report of 1 December 2021 considered the benefits and disbenefits of each of these options.

## **4. Conclusion**

- 4.1 The options in Section 3 have been considered within the context that the Council must appoint an external auditor no later than 31 December 2022. Legislation requires an independent auditor panel to make the appointment.
- 4.2 Having considered these options, it is recommended that Audit and Performance Committee propose to Full Council that it opts into the PSAA collective procurement framework for the years 2023/24 to 2027/28. The reasons for this recommendation are that:
  - The reduced external audit market would probably render an individual appointment redundant as the scope of audits are

clearly defined by the Financial Reporting Council (FRC) regardless of the procurement route;

- An individual appointment would require an independent procurement strategy and the Council would need to generate sufficient interest in the market to ensure value for money throughout the procurement process;
- An individual appointment would reduce the economies of scale afforded through the PSAA appointment framework;
- Having engaged with other authorities across London, there is not sufficient appetite to progress a joint exercise given the complexities of jointly arranging an independent procurement panel;
- The PSAA has listened to the feedback on the poor performance of auditors in the current contract and have recognised the need to rebalance the quality vs price aspect of the new contract arrangements and, while the audit fees are likely to increase, value for money through a collective arrangement is most likely to be achieved.

4.3 Regulation 19 of the Local Audit (Appointing Person) Regulations 2015 requires that a decision to opt in to the PSAA national scheme or to appoint auditors directly must be made by a meeting of the Council as a whole. Furthermore, the Council needs to respond formally to PSAA's invitation in the form specified by PSAA by the close of the opt-in period (11 March 2022). It is recommended that authority is delegated to the Executive Director of Finance and Resources to respond to the invitation and take the necessary steps to finalise the appointment itself following the PSAA procurement process.

## **5. Implications**

### **Financial Implications:**

- 5.1. The core audit fee for the Council was £274k in 2014/15 whereas the scale fee quoted in the 2020/21 Audit Plan was £143k.
- 5.2. The proposed fees cannot be fully known until the procurement process has been completed, as the costs will depend on proposals from the audit firms. Given the widespread prevalence of fee variations, market uncertainty and the revision to an 80% quality weighting within the procurement, it is almost certain that the fee payable by the Council will rise.
- 5.3. Opting-in to a national scheme provides a strong opportunity to ensure fees are as low as possible, whilst ensuring the quality of audit is maintained by entering into a large scale collective procurement arrangement.

- 5.4. If the national scheme is not used some additional resource may be needed to establish an auditor panel and conduct a local procurement. Until a procurement exercise is completed it is not possible to state what, if any, additional resource may be required for audit fees for 2023/24.
- 5.5. The scope of the audit will still be specified nationally, the National Audit Office (NAO) is responsible for writing the Code of Audit Practice which all firms appointed to carry out the Council's audit must follow. Not all audit firms will be eligible to compete for the work, they will need to demonstrate that they have the required skills and experience and be registered with a Registered Supervising Body approved by the Financial Reporting Council or bid under the proposed arrangements whereby those going through registration or being 'supervised' by an appropriate approved body would be eligible.

#### **Legal Implications:**

- 5.6. Section 7 of the Local Audit and Accountability Act 2014 requires a relevant Council to appoint a local auditor to audit its accounts for a financial year not later than 31 December in the preceding year. Section 8 governs the procedure for appointment including that the Council must consult and take account of the advice of its auditor panel on the selection and appointment of a local auditor. Section 8 provides that where a relevant Council is a local Council operating executive arrangement, the function of appointing a local auditor to audit its accounts is not the responsibility of an executive of the Council under those arrangements.
- 5.7. Section 12 makes provision for the failure to appoint a local auditor: the Council must immediately inform the Secretary of State, who may direct the Council to appoint the auditor named in the direction or appoint a local auditor on behalf of the Council.
- 5.8. Section 17 gives the Secretary of State the power to make regulations in relation to an 'appointing person' specified by the Secretary of State. This power has been exercised in the Local Audit (Appointing Person) Regulations 2015 (SI 192) and this gives the Secretary of State the ability to enable a Sector Led Body to become the appointing person. In July 2016 the Secretary of State specified PSAA as the appointing person.

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

Jake Bacchus, [jbacchus@westminster.gov.uk](mailto:jbacchus@westminster.gov.uk)

#### **BACKGROUND PAPERS:**

*None*



## Audit and Performance Committee Report

|                             |                                                                                                                                                                                                                   |
|-----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Date:</b>                | 16 February 2022                                                                                                                                                                                                  |
| <b>Classification:</b>      | General Release                                                                                                                                                                                                   |
| <b>Title:</b>               | CIPFA Financial Management (FM) Code Compliance                                                                                                                                                                   |
| <b>Wards Affected:</b>      | All                                                                                                                                                                                                               |
| <b>City for All Summary</b> | The FM Code emphasises a clear strategic direction in which good financial management practice is embedded in the organisational culture thereby supporting the Council in achieving its City for All objectives. |
| <b>Financial Summary:</b>   | This report is to inform the Committee of the Council's self-assessment of compliance with the CIPFA Financial Management (FM) Code.                                                                              |
| <b>Report of:</b>           | Gerald Almeroth, Executive Director – Finance & Resources                                                                                                                                                         |

### 1. Executive Summary

- 1.1. The FM Code is the first professional code for general financial management in local authorities. This was issued by the Chartered Institute of Public Finance and Accountancy (CIPFA) in 2019 after extensive engagement with the sector and other stakeholders. It is designed to support good practice in financial management and to assist local authorities in demonstrating their financial sustainability.
- 1.2. The Code sets out the principles by which local authorities should be guided in managing their finances and the specific standards that they should, as a minimum, seek to achieve.

1.3. Compliance with the FM Code is the collective responsibility of elected members, the Chief Finance Officer (CFO) and their professional colleagues in the executive leadership team. All local authorities are required to demonstrate full compliance with the Code before the end of the current financial year 2021/22.

## 2. Recommendations

2.1. That Audit and Performance Committee agree the conclusions drawn from the Council's assessment against the new CIPFA Financial Management Code as outlined in Appendix 1.

2.2. That Audit and Performance Committee receive annual updates on the suggested improvements that can be taken as outlined in the Appendix 1.

## 3. Background

3.1. The six underlying principles that inform the FM Code have been designed to focus on robust financial management as a way of achieving both short-term financial resilience and long-term financial sustainability. The principles are as follows:

- i. **Organisational leadership** – demonstrating a clear strategic direction based on a vision in which financial management is embedded into organisational culture.
- ii. **Accountability** – financial management is based on medium-term financial planning, which drives the annual budget process supported by effective risk management, quality supporting data and whole life costs.
- iii. Financial management is undertaken with **transparency** at its core using consistent, meaningful and understandable data, reported with appropriate frequency and with evidence of periodic officer action and elected member decision making.
- iv. Adherence to professional **standards** is promoted by the leadership team and is evidenced.
- v. Sources of **assurance** are recognised as an effective tool mainstreamed into financial management and include political scrutiny and the results of external audit, internal audit and inspection.
- vi. The long-term **sustainability** of local services is at the heart of all financial management processes and is evidenced by prudent use of public resources.

3.2. Within these principles there are 17 standards (A to Q) for local authorities to follow. Appendix 1 shows a self-assessment of compliance against each of these standards.

#### **4. Conclusion**

- 4.1. An assessment has been performed against each of the criteria laid out within the Code, detailed in Appendix 1.
- 4.2. It is the opinion of the Chief Financial Officer that the Council is financially resilient and delivers value for money, whilst recognising there are always areas for improvement and that the Council will continue to review its financial management arrangements.

#### **5. Financial Implications**

- 5.1. Financial implications are contained in the body of this report.

#### **6. Legal Implications**

- 6.1. There are no legal implications arising from this report.

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

Jake Bacchus [jbacchus@westminster.gov.uk](mailto:jbacchus@westminster.gov.uk)

#### **BACKGROUND PAPERS:**

*Appendix 1: Assessment of Compliance with the CIPFA FM Code*

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## Appendix 1 CIPFA Financial Management Code

### Introduction

#### CIPFA Statement on the Purpose of the Code

- 1.1. The FM Code is the first professional code for general financial management in local authorities. It is designed to support good practice in financial management and to assist local authorities in demonstrating their financial sustainability.
- 1.2. The code complies with other legislation and associated CIPFA codes and is evidence of compliance with statutory and professional frameworks.
- 1.3. The code is a principle-based approach. There are 6 principles:
- i) Leadership
  - ii) Accountability
  - iii) Transparency
  - iv) Standards
  - v) Assurance
  - vi) Sustainability
- 1.4. The six principles are translated into seventeen Financial Management (FM) standards (denoted from A-Q), grouped into seven sections.
- 1.5. All local authorities are required to demonstrate full compliance with the Code by 31 March 2022.

### Conclusion

- 1.6. The review of Westminster City Council against the CIPFA Financial Management Code demonstrates compliance and is detailed further below. It is the opinion of the CFO that the Council is financially resilient and delivers value for money. However, in striving for financial management excellence, the Council has developed a set of actions for improvement which will contribute to the Council's longer term vision, City for All.

Appendix 1 CIPFA Financial Management Code

**CIPFA Financial Management Code – Self Assessment and Action Plan**

| FM Ref                                                                           | Requirement                                                                                                    | Guidance                                                                                                                                                                                                                                                                                                                 | Self-Assessment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Identified Improvements                                                                                                                                                                                                                                                                       |
|----------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>1 - The responsibilities of the chief finance officer and leadership team</b> |                                                                                                                |                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                               |
| A                                                                                | <p>The leadership team can demonstrate that the services provided by the authority provide value for money</p> | <p>The Council has a clear and consistent understanding of what value for money means.</p> <p>There are mechanisms and processes to promote and ensure value for money at a corporate and service level.</p> <p>The Council can demonstrate the actions we take to promote value for money and what it has achieved.</p> | <p>The Council operates under a Leader/Cabinet system. Councillors are supported by the Executive Leadership Team (ELT), which is headed by the Council's Chief Executive. ELT is responsible for the overall leadership and management of the Council, for setting and monitoring overall strategic direction and for ensuring high performance and VFM in the delivery of council services. In addition, there are Scrutiny Committees which hold the Cabinet to account.</p> <p>The work of the Council's committees is governed by the Constitution which is openly available on the Council's website. The Annual Governance Statement needs to be read alongside the Council's constitution, which sets out how the Council operates, how decisions are made and the policies which are followed to ensure that these are efficient, transparent, and accountable to local people.</p> <p>The annual governance statement (AGS) is compliant with the CIPFA Code. An appropriate level of care is taken to ensure the Council's policies and procedures comply with all relevant</p> | <p>Improvements are as outlined in the Council's Value for Money report:</p> <ul style="list-style-type: none"> <li>• Work should continue to ensure the completeness of the contracts register to ensure it contains details of all contracts over £100k and all contract owners.</li> </ul> |

Appendix 1 CIPFA Financial Management Code

| FM Ref | Requirement | Guidance | Self-Assessment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Identified Improvements |
|--------|-------------|----------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|
|        |             |          | <p>codes and legislative frameworks. The AGS includes an internal audit assessment of governance arrangements in place and the Council’s external auditors also conduct a VFM review as part of their annual work.</p> <p>The Council’s annual VfM external audit assessment as identified no significant weaknesses in respect of the three assessment criteria:</p> <ul style="list-style-type: none"> <li>• Financial sustainability</li> <li>• Governance</li> <li>• Improving economy, efficiency and effectiveness</li> </ul> <p>Further details of the VfM assessment can be found on the Council’s website</p> <p>The Council has policies for financial management, risk management and a Procurement Code. The Audit &amp; Performance Committee receive contract monitoring reports setting out an assessment of contracts.</p> <p>There is a Commercial Gateway Review Board (CGRB) at which all proposed high value contracts are reviewed. Contract managers must submit a bid to the CGRB for the proposed contract to be agreed to proceed to</p> |                         |

Appendix 1 CIPFA Financial Management Code

| FM Ref | Requirement                                                                                                                      | Guidance                                                                                                                                                                                                                                                                                  | Self-Assessment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Identified Improvements |
|--------|----------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|
|        |                                                                                                                                  |                                                                                                                                                                                                                                                                                           | <p>procurement. This bid must detail the rationale behind the proposed contract, together with the VFM and risk management considerations.</p> <p>The Council has a Shareholder's Committee which provides oversight of the Council's subsidiaries and companies. This is underpinned by a terms of reference and is chaired by the Leader of the Council. The Committee forms part of the overall governance arrangements for the Council.</p>                                                                                                                                                                                                                                                                                |                         |
| B      | <p>The authority complies with the CIPFA Statement on the Role of the Chief Finance Officer (CFO) in Local Government (2016)</p> | <p>The CFO is a key member of the leadership team and able to challenge and influence all material business decisions.</p> <p>The CFO leads and champions the promotion and delivery of good financial management across the authority.</p> <p>The finance team is suitably resourced</p> | <p>The CFO is a key member of the Council's Executive Leadership Team. He holds the role of the Executive Director of Finance and Resources and is the Council's S151 officer.</p> <p>The CFO is actively involved in all material business decisions through being fully engaged with Lead Members, attending Committee and Council meetings and holding regular finance meetings with the relevant cabinet members.</p> <p>The Chief Financial Officer (CFO) is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. The CFO is required to prepare the financial statements in accordance with proper practices as set out in the CIPFA/LASAAC code</p> |                         |

Appendix 1 CIPFA Financial Management Code

| FM Ref | Requirement | Guidance             | Self-Assessment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Identified Improvements |
|--------|-------------|----------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|
|        |             | and fit for purpose. | <p>of practice on local authority accounting in the United Kingdom.</p> <p>In preparing the financial statements, the CFO is responsible for assessing the Council's ability to continue as a going concern and use the going concern basis of accounting unless there is an intention by government that the services provided by the Council will no longer be provided.</p> <p>The CFO encourages good financial management across the whole Council through implementing a business partnering approach, ensuring finance is prioritised throughout governance procedures and through regular financial reporting to ELT, members, Scrutiny and committees including Audit and Performance Committee. The CFO also networks externally and works closely with other local authority Chief Officers.</p> <p>The CFO is professionally qualified accountant with significant experience as a CFO.</p> <p>The Council's finance team is sufficiently resourced with qualified accountants. The finance function is staffed mainly through permanent staff with good levels of knowledge and experience. Specialist knowledge is also</p> |                         |

Appendix 1 CIPFA Financial Management Code

| FM Ref                                               | Requirement                                                                                                               | Guidance                                                                                                                                                                                                                                                                                                                                                             | Self-Assessment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Identified Improvements                                                                                                                                                                     |
|------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                      |                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                      | <p>contracted in high-risk areas including pensions, valuations, VAT.</p> <p>The Council operates an annual graduate trainee programme to maintain good resilience at the lower levels of the department.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                             |
| <b>2 – Governance and financial management style</b> |                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                             |
| C                                                    | <p>The leadership team demonstrates in its actions and behaviours responsibility for governance and internal control.</p> | <p>The leadership team upholds the Nolan principles in its work and governance.</p> <p>The Council has a clear framework for governance and internal control.</p> <p>The leadership has effective arrangements for assurance, internal audit and internal accountability.</p> <p>The leadership team embraces high standards of governance and internal control.</p> | <p>The Council recognises that effective local government relies upon maintaining the confidence of the public in both the elected Members and Officers of the Council. The Council continues to keep under review Governance arrangements and related procedures to ensure best practice so that the highest standards are maintained.</p> <p>This is the case both for the Council's own operations and in its Partnership arrangements with other organisations. Partnerships are playing an increasingly important role in the future of policy development and service delivery. The Council has developed and maintained an effective scrutiny function which encourages constructive challenge and enhances the authority's performance overall. This is outlined in detail in the Council's Constitution.</p> | <p>Processes will continue to be refined in light of changing requirements</p> <p>The Council will implement the governance recommendations outlined in Grant Thornton's VfM assessment</p> |

Appendix 1 CIPFA Financial Management Code

| FM Ref | Requirement | Guidance                                                                                                                | Self-Assessment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Identified Improvements |
|--------|-------------|-------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|
|        |             | <p>The leadership team nurtures a culture of effective governance and robust internal control across the authority.</p> | <p>The Council has an Audit and Performance Committee, independent of both the Executive and the Policy and Scrutiny process as recommended by CIPFA. Its terms of reference include a wide range of responsibilities.</p> <p>The Council's Standards Committee's main responsibility is to ensure that high standards of Member conduct are maintained. It does this by ensuring that Members attend training on the Code of Conduct, are briefed on relevant issues and receives an annual overview report on complaints about Member Conduct.</p> <p>All decisions referred to members are set out using a template which includes legal and regulatory implications. This requires legal advice to be obtained or confirmed before all decisions are taken, to ensure decisions are appropriate. The Council has developed and maintains effective mechanisms for documenting evidence for decisions and recording the criteria, rationale and considerations on which decisions are based through Minutes and Reports to Council. All non-exempt Council, Cabinet, Committee Agendas/minutes, Cabinet Member Reports, Statements of Decisions and Minutes are available on the Council's Website.</p> |                         |

Appendix 1 CIPFA Financial Management Code

| FM Ref | Requirement                                                                                                 | Guidance                                                                                                                                                                                                       | Self-Assessment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Identified Improvements                                                                                                                                                       |
|--------|-------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|        |                                                                                                             |                                                                                                                                                                                                                | <p>The authority will undertake regular reviews of its governance arrangements to ensure continuing compliance with best practice. It recognises the importance of ensuring that such reviews are reported both within the authority, to the Audit and Performance Committee and externally with the published accounts, to provide assurance that corporate governance arrangements are adequate and operating effectively in practice.</p>                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                               |
| D      | <p>The Council applies CIPFA/SOLACE "Delivering Good Governance in Local Government: Framework (2016)".</p> | <p>The Council has sought to apply the principles, behaviour and actions set out in the framework to our own governance arrangements.</p> <p>The Council has in place a suitable local code of governance.</p> | <p>The Council's Code of Governance is regularly updated and sets the standards for the conduct of Officers and Members at the City Council. It is consistent with the principles of the CIPFA/SOLACE Delivering Good Governance in Local Government: Framework. The CIPFA/SOLACE Framework introduced the requirement to produce an annual governance statement from 2007/08.</p> <p>The Annual Governance Statement (AGS) is also available on the Council's website. The Statement is updated following the end of each financial year. The AGS includes an Annual Internal Audit Opinion on the effectiveness of the internal control environment and the systems of internal control, highlights issues identified annually along with planned action.</p> | <p>- Where reviews of the corporate governance arrangements have revealed improvement recommendations, action is planned that will ensure effective governance in future.</p> |



Appendix 1 CIPFA Financial Management Code

| FM Ref | Requirement                                                                            | Guidance                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Self-Assessment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Identified Improvements                                                                                                                                                                                                                                                                                                                                                                                  |
|--------|----------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| E      | <p>The Financial Management style of the Council supports financial sustainability</p> | <p>The Council has in place an effective framework of financial accountability.</p> <p>The Council is committed to continuous improvement in terms of the economy, efficiency, effectiveness and equity of its services.</p> <p>The Council's finance team has appropriate input into the development of strategic and operational plans. Managers across the authority possess sufficient financial literacy to deliver services cost effectively and are held accountable for doing so.</p> <p>The authority has sought an external view on its financial</p> | <p>There is wide consultation across the Council, including finance, in developing the budget and challenge mechanisms are in place, from the Executive Leadership Team (ELT) and from the scrutiny offered by the Budget Task Group, in addition to the challenge provided generally by members.</p> <p>The Medium-Term Planning process ensures the Council balances its budget and identifies savings that can be made. Risks are considered within the budget and MTFP and the quarterly performance reporting to the Audit &amp; Performance Committee also highlights these risks. In addition, each lead portfolio member (Chair of the relevant committee) is closely involved in developing and setting the budget for their service area. Risks are discussed at length as part of this process. Overall, members are presented with a good understanding of the risks.</p> <p>The approach to closing the budget gap is regularly discussed outside of Cabinet meetings with the ELT, Directorate Leadership Teams, the Leader and the Cabinet Member for Finance.</p> <p>The 2021/22 budget assumes no use of reserves to balance the budget and there is no evidence of an unsustainable planned use of</p> | <p>Review the current business partnering model, enhancing the efficiency and usefulness of the process.</p> <p>Provide refresher training for officers at all levels of the organisation who have financial responsibilities with the outcome of improving financial literacy and strengthening the accountability of budget managers and senior officers, which supports financial sustainability.</p> |

Appendix 1 CIPFA Financial Management Code

| FM Ref | Requirement | Guidance                                                                                                                                                                                                                                      | Self-Assessment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Identified Improvements |
|--------|-------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|
|        |             | <p>style, for example through a process of peer review.</p> <p>Individuals with governance and financial management responsibilities have suitable delegated powers and appropriate skills and training to fulfil these responsibilities.</p> | <p>reserves over the course of the MTFP. The Council has adequate provision within its reserves to manage one-off emergencies. We are pleased to note that the Council has set a balanced budget for 2021/22.</p> <p>The Council reset its MTFP during the year in recognition of the impact of the pandemic as well as to the in-year update to the Council's strategic objectives. These and other key assumptions within the plan have been reviewed.</p> <p>A monthly budget monitoring report is provided to the ELT for the consideration of any necessary actions and amendments, and detailed financial monitoring information is provided to the Audit &amp; Performance Committee quarterly, so there is regular scrutiny of the Council's financial position and of the ongoing funding pressures it faces.</p> <p>Scheme of delegation exists within the Constitution to ensure prompt and timely decision making with key decisions required to be taken at Cabinet.</p> |                         |

## Appendix 1 CIPFA Financial Management Code

| FM Ref                                              | Requirement                                                                              | Guidance                                                                                                                                                                                                                                                                                                    | Self-Assessment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Identified Improvements                                                                                                                                                                                                                                               |
|-----------------------------------------------------|------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>3 – Medium to long-term financial management</b> |                                                                                          |                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                       |
| F                                                   | The authority has carried out a credible and transparent financial resilience assessment | <p>The Council has undertaken a financial resilience assessment.</p> <p>The assessment tested the resilience of the authority's financial plans to a broad range of alternative scenarios.</p> <p>The authority has taken appropriate action to address any risks identified as part of the assessment.</p> | <p>A 'going concern' assessment is carried out annually by the External Auditors as part of audit, confirming in 2020/21 that the Council is a going concern.</p> <p>The annual CIPFA resilience index places Westminster in a low-risk category across the majority of its metrics.</p> <p>A refresh of the MTFP is discussed between budget holders and finance twice per year (in July and in the budget report)</p> <p>A key part of the budget cycle is that each Cabinet portfolio member (Chair of the relevant Committee) has a challenge session called 'Member's Review Session'. As well as the portfolio holder, these meetings include the Lead Member for Finance, the s151 officer (or deputy), the Chair of the Audit Committee and the Council CEO. These sessions provide an opportunity for challenge and review of both the budget, savings, timelines, political considerations, dependencies, investment requirements and RAG ratings etc. They are also provided with information on pressures and investments. Where additional funding has been requested, these are subject to additional challenge at these meetings.</p> | <p>Make better use of benchmarking and the CIPFA resilience index when shaping the MTFP.</p> <p>Embed use of newly recruited economics and analysts team capability to model term-term economic effects on Council's budgets and inform strategic decision making</p> |

Appendix 1 CIPFA Financial Management Code

| FM Ref | Requirement                                                                                                                              | Guidance                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Self-Assessment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Identified Improvements                                                                                                                |
|--------|------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------|
| G      | <p>The authority understands its prospects for financial sustainability in the longer term and has reported this clearly to members.</p> | <p>The Council has a sufficiently robust understanding of the risks to its financial sustainability.</p> <p>The Council has a strategic plan and long-term financial strategy that adequately addresses these risks.</p> <p>The Council has sought to understand the impact on its future financial sustainability of the strategic, operational and financial challenges that it might face (e.g. using a technique such as scenario planning).</p> <p>Leadership team and members understand prospects for long-term financial sustainability, the associated risks and the impact of these</p> | <p>The Council's Budget, Statement of Accounts and MTFP reflect the main risks to sustainability. These are reported throughout the annual financial cycle in monitoring reports to the Leadership Team. The Budget and MTFP are agreed by Full Council.</p> <p>The Council's Capital Strategy sets out the Council's long term capital investment plans over the next 15 years – up to 2034/35 and proposes a gross budget of £2.862bn with a net borrowing requirement of £1.629bn. The revenue implications of the capital projects are also set out here and included in the MTFP, so members are provided with a detailed oversight of the capital programme, how this ties back to the corporate strategy, the capital and revenue costs of the strategy, the budgetary impacts and how this is all to be funded. This is all then considered at the Scrutiny Budget Task Group.</p> <p>There are quarterly performance reports to the Audit &amp; Performance Committee which track the outcomes of Council activities. These are set out against key performance indicators and include detailed commentaries on associated risks, achievements and other issues. These reports also highlight remedial actions being taken where slippage does occur.</p> | <p>Develop and broaden use of financial modelling.</p> <p>Improve modelling of key cost drivers to use for resource prioritisation</p> |

## Appendix 1 CIPFA Financial Management Code

| FM Ref | Requirement                                                                                           | Guidance                                                                                                                                                                                                                                                                                     | Self-Assessment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Identified Improvements                                                                                                                                                                                                                                                                                                                                                                                                       |
|--------|-------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|        |                                                                                                       | <p>for short and medium-term decision making.</p>                                                                                                                                                                                                                                            | <p>Senior Management and Members (via Scrutiny Committees and the Audit &amp; Performance Committee), ensure the Council remains focused on achieving its agreed objectives and priorities.</p> <p>Due to the heightened uncertainties during the COVID pandemic, The Council developed a commercial income dashboard to aid medium to long term financial planning.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                               |
| H      | <p>The authority complies with the CIPFA Prudential Code for Capital Finance in Local Authorities</p> | <p>The Council has a prepared a suitable capital strategy.</p> <p>The Council has a set of prudential indicators in line with the Prudential Code.</p> <p>The Council has in place suitable mechanisms for monitoring its performance against the prudential indicators that it has set.</p> | <p>The Council submits its 15-year Capital Strategy for approval annually by Full Council as part of the wider medium-term financial strategy reporting. This allows key links between revenue and capital plans to be reported together for better decision making. The Capital strategy is compliant with the CIPFA Prudential Code.</p> <p>The governance around the Capital Programme is led by the Capital Review Group (CRG). This group reviews the strategic direction of the programme, including the long-term financial sustainability and ensures outcomes are aligned with the City for All strategy.</p> <p>The council's capital strategy is also reviewed annually alongside the council's treasury management and investment framework. The council's capital programme is developed as part of this process and incorporated within the</p> | <p>The narrative in the capital strategy could be enhanced further by detailing:</p> <ul style="list-style-type: none"> <li>- The authority's policies on capitalisation included in the statement of accounts</li> <li>- The risks faced by the authority with reference to the life of projects/assets.</li> <li>- Asset management information, including the cost of past borrowing, maintenance requirements.</li> </ul> |

Appendix 1 CIPFA Financial Management Code

| FM Ref | Requirement                                                                                                         | Guidance                                                                                                                                                                                                                                                                                                                                                                       | Self-Assessment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Identified Improvements                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|--------|---------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|        |                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                | <p>medium-term financial plan and budget report each year.</p> <p>Performance against the prudential indicators is reported in the Council's Treasury outturn report.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| I      | <p>The authority has a rolling multi-year medium-term financial plan consistent with sustainable service plans.</p> | <p>The Council has in place an agreed medium-term financial plan.</p> <p>The medium-term financial plan is consistent with and integrated into relevant service plans and capital strategy.</p> <p>The medium-term financial plan has been prepared on the basis of a robust assessment of relevant drivers of cost and demand.</p> <p>The medium-term financial plan been</p> | <p>The Council prepares a multi-year rolling budget which is subject to annual review. The development of the budget is highly collaborative. The MTFP is report to Cabinet in July at which point the Finance team engages with directorates, budget options are discussed, and any budget gaps are identified. Executive Directors hold overall responsibility for the budget of their Directorate.</p> <p>Informal Cabinet meetings are also held during the budget setting process to discuss emerging issues and any inputs from the Budget Task Group, a scrutiny group which meets during the budget setting process to provide additional scrutiny and challenge. There is a good level of ownership of and involvement in the budget setting and monitoring process, from budget holders, through executive directors and up to members.</p> | <p>Current asset management plans will be reviewed as part of the new corporate landlord model and forward planning of the operational estate. There are some key areas which will be further developed in 2022/23 in line with Council objectives. These include aligning accessibility audits with building condition surveys to enhance accessibility for Westminster's Community throughout the Council's public buildings. Embed use of new Communities team capability to drive</p> |

Appendix 1 CIPFA Financial Management Code

| FM Ref | Requirement | Guidance                                                                                                                                                                                                                                                                                                                                                         | Self-Assessment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Identified Improvements                |
|--------|-------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------|
|        |             | <p>tested for resilience against realistic potential variations in key drivers of cost and demand.</p> <p>There is a suitable asset management plan that seeks to ensure that its property, plant and equipment including infrastructure assets contribute effectively to the delivery of services and to the achievement of the authority's strategic aims.</p> | <p>The budget and MTFP have been designed to be integrated with the core strategic priorities of the Council (its City for All vision). This planning aims to provide a framework to invest in the Plan's broader ambitions and long-term priorities, as well as the recovery from COVID-19. The Council's City for All vision was refreshed during the year. The four objectives within this vision are high profile and referred to throughout the key strategic documents and reports presented to members, including the budget and MTFP.</p> <p>Medium-term forecasts are kept up to date to reflect service needs subject to uncertainties e.g., business rates retention approach, future funding formula, economic impact of Brexit, Government Social Care policy gaps. Through budget setting and in-year budget review processes, these plans are reviewed over a three-year period.</p> <p>The council has completed the implementation of the Corporate Landlord approach to operational property management. This will ensure the effective and efficient management of property by centralising property service activities, decision making and budgets. It ensures that decisions about property are taken</p> | <p>improved outcomes for residents</p> |

Appendix 1 CIPFA Financial Management Code

| FM Ref                       | Requirement                                                                                     | Guidance                                                                                                                                                                                                               | Self-Assessment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Identified Improvements |
|------------------------------|-------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|
|                              |                                                                                                 |                                                                                                                                                                                                                        | <p>from a strategic perspective and that opportunities to deliver efficiencies are captured and assessed via the Strategic Property Board.</p> <p>This approach to operational property management ensures:</p> <ul style="list-style-type: none"> <li>- Effective and efficient management of property by centralising property service activities, decision making and budgets</li> <li>- Decisions about property are taken from a strategic perspective</li> <li>- Opportunities to deliver efficiencies are captured and assessed via the Strategic Property Board.</li> </ul> <p>Current asset management plans will be reviewed as part of the new model.</p> |                         |
| <b>4 – The annual budget</b> |                                                                                                 |                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                         |
| J                            | The authority complies with its statutory obligations in respect of the budget setting process. | <p>The Council is aware of its statutory obligations in respect of the budget-setting process.</p> <p>The Council has set a balanced budget for the current year.</p> <p>The Council is aware of the circumstances</p> | <p>The Council follows an annual budget setting process that meets all its statutory (Local Government Acts 2000, 2003 and Local Government Finance Act 1992) and constitutional requirements.</p> <p>The council's CFO is fully aware of the circumstances under which to issue a Section 114 and does not anticipate this being required given the robust nature of its finances.</p>                                                                                                                                                                                                                                                                              | N/A                     |



Appendix 1 CIPFA Financial Management Code

| FM Ref | Requirement                                                                                                                                                       | Guidance                                                                                                                                                                                                                                                                                                                                                                                                                        | Self-Assessment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Identified Improvements |
|--------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|
|        |                                                                                                                                                                   | <p>under which it issues a Section 114 notice and how we would go about doing so.</p>                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                         |
| K      | <p>The budget report includes a statement by the CFO on the robustness of the estimates and the statement on the adequacy of the proposed financial reserves.</p> | <p>The Council's most recent budget report includes a statement by the CFO on the robustness of the estimates and a statement of the adequacy of the proposed financial reserves.</p> <p>The report accurately considers the most significant estimates used to prepare the budget, the potential for these estimates being incorrect and the impact should this be the case.</p> <p>The Council has sufficient reserves to</p> | <p>The Budget and MTFP are agreed by Full Council and includes a statement by the CFO on the robustness of the estimates and the statement on the adequacy of the proposed financial reserves (Section 25 report).</p> <p>The MTFP includes:</p> <ul style="list-style-type: none"> <li>- Key budget pressures arising and details of how these will be mitigated and/or met from within the proposed budget</li> <li>- Planned contingency balances within the baseline to address budgetary pressures and financial risks anticipated</li> <li>- Estimates for staff pay awards and inflation where these are still to be agreed externally</li> <li>- Estimates for grant funding where not confirmed and collection fund income.</li> </ul> <p>The budget report clearly states where there are estimates and provides details (where known) of when these will be confirmed.</p> | N/A                     |

Appendix 1 CIPFA Financial Management Code

| FM Ref                                               | Requirement                                                                                                                                                            | Guidance                                                                                                                                                                                                                                                                                  | Self-Assessment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Identified Improvements |
|------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|
|                                                      |                                                                                                                                                                        | <p>ensure financial sustainability for the foreseeable future.</p> <p>The reports set out the current level of reserves, whether these are sufficient to ensure ongoing financial sustainability and the action being taken to address any shortfall</p>                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                         |
| <b>5 – Stakeholder engagement and business cases</b> |                                                                                                                                                                        |                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                         |
| L                                                    | <p>The authority has engaged where appropriate with key stakeholders in developing its long-term financial strategy, medium-term financial plan and annual budget.</p> | <p>The Council has sought to engage with key stakeholders in developing its long-term financial strategy, medium-term financial plan and annual budget.</p> <p>The Council has been effective in its engagement.</p> <p>The Council plans to improve engagement with key stakeholders</p> | <p>Partnership working is a key theme throughout the City for All vision. The Council engages with stakeholders and partners through joint working arrangements, partnership boards and representation on external bodies' governing boards.</p> <p>The annual City Survey informs community engagement strategies as well as service and budget priorities.</p> <p>The Council publishes a quarterly magazine and utilises online communication channels such as e-bulletins, Twitter, Facebook, and YouTube.</p> |                         |

Appendix 1 CIPFA Financial Management Code

| FM Ref | Requirement                                                                                                                    | Guidance                                                                                                                                                                                                                                       | Self-Assessment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Identified Improvements |
|--------|--------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|
|        |                                                                                                                                |                                                                                                                                                                                                                                                | <p>The Council also uses its Open Forum events to allow residents to meet and discuss local issues with Cabinet Members and senior officers, and it collects resident feedback on proposed service or policy changes through consultations.</p> <p>The Council works with Voluntary, Community and Faith Sector (VCFS) bodies. As well as commissioning these bodies to work with residents and other bodies, the Council also provides funding to support the VCFS infrastructure locally.</p> <p>Some of the Council’s strategic aims are delivered through its wholly owned subsidiary companies. There is good monitoring and oversight over the projects being delivered by these companies.</p> |                         |
| M      | The authority uses an appropriate documented option appraisal methodology to demonstrate the value for money of its decisions. | The Council has documented option appraisal methodology that is consistent with the guidance set out in IFAC/PAIB publication Project and Investment Appraisal for Sustainable Value Creation: Principles in Project and Investment Appraisal. | The main forum for reviewing all financial aspects of the capital programme is the Capital Review Group (CRG). This group reviews the strategic direction of the programme, ensures outcomes are aligned with City for All, development or other significant projects have a viable business case and that Value for Money (VfM) is delivered for the Council. It also monitors the expenditure and funding requirements of the capital programme and subsequent revenue impacts.                                                                                                                                                                                                                     | N/A                     |

Appendix 1 CIPFA Financial Management Code

| FM Ref | Requirement | Guidance                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Self-Assessment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | Identified Improvements |
|--------|-------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|
|        |             | <p>The Council has guidance to officers as to when an option appraisal should be undertaken.</p> <p>The Council's approach to option appraisal includes appropriate techniques for the qualitative and quantitative assessment of options.</p> <p>The Council's approach to option appraisal includes suitable mechanisms to address risk and uncertainty.</p> <p>The Council reports the results of option appraisals in a clear, robust and informative manner that gives clear recommendations and outlines the risk associated with any preferred option(s).</p> | <p>Significant projects include those: with minimum capital expenditure of £10m, requiring a level of resident engagement, with issues that may give rise to sensitivities, involving matters which are a major strategic aim of the Council, carrying major risk, with an important historical context.</p> <p>All Development (as per the General Fund Capital Programme) and regeneration (as per the HRA business plan) projects over £10m will have to produce the following three business cases:<br/>                     - Strategic Outline Case (SOC)<br/>                     - Outline Business Case (OBC)<br/>                     - Full Business Case (FBC)</p> <p>At each of the following stages of the five-case model, business cases must include the following five areas: The Strategic Case, The Economic Case, The Commercial Case, The Financial Case and The Management Case.</p> <p>Projects under £10m will require a Business Justification Case only. However, this will be dependent on the other criteria and factors. The list below is not exhaustive and whether a project can go through a one stage process has to be reviewed on a case-by-case basis and agreed by senior officers, members and the Project Management Office (PMO). The factors</p> |                         |

Appendix 1 CIPFA Financial Management Code

| FM Ref                                      | Requirement                                                                                                                                             | Guidance                                                                                                                                                                                                                                                                                                                                                                                                                                   | Self-Assessment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Identified Improvements                                                                                                                                                                                                                         |
|---------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                             |                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                            | include:<br>- Level of resident engagement required<br>- Sensitivities<br>- Strategic aims of the project<br>- Historical context of the project                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                 |
| <b>6 – Monitoring financial performance</b> |                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                 |
| N                                           | The leadership team takes action using reports, enabling it to identify and correct emerging risks to its budget strategy and financial sustainability. | <p>The Leadership team receive reports that allow it to identify and to correct emerging risks to its budget strategy and financial sustainability.</p> <p>Those reports cover both forward and backward-looking information in respect of financial and operational performance.</p> <p>There are mechanisms in place to report the performance of the authority’s significant delivery partnerships such a contract monitoring data.</p> | <p>The Council’s Budget, Statement of Accounts and MTFP reflect the main risks to sustainability. These are reported throughout the annual financial cycle in monitoring reports to ELT. The Budget and MTFS are agreed by Full Council.</p> <p>The budget monitoring report provided to ELT allows consideration of any necessary actions and amendments. Detailed financial monitoring information is provided to the Audit &amp; Performance Committee quarterly, as part of the quarterly performance monitoring report. There is regular scrutiny of the Council’s financial position and of the ongoing funding pressures it faces. Performance data is gathered, analysed and reported to ELT and Audit and Performance Committee on a quarterly basis.</p> <p>Reports are clear, written to a standard format. Reports are accurate, clear and written to a standard format.</p> | <p>The Council will continue to review the format and usefulness of its performance reporting.</p> <p>The Council is currently reviewing its key KPIs to make sure they clearly support the new City for All strategy, published in 2022/23</p> |

Appendix 1 CIPFA Financial Management Code

| FM Ref | Requirement                                                                                                                                                   | Guidance                                                                                                                                                                                                                                                                                                      | Self-Assessment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Identified Improvements |
|--------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|
|        |                                                                                                                                                               | <p>The reports provided to the leadership team are in a timely manner and in a suitable format.</p> <p>The Leadership team is happy with the reports that it receives and with its ability to use these reports to take appropriate action.</p>                                                               | <p>There is a Commercial Gateway Review Board (CGRB) at which all proposed high-risk contracts are reviewed. Contract managers must submit a bid to the CGRB for the proposed contract to be agreed to proceed to procurement. This bid must detail the rationale behind the proposed contract, together with the VFM and risk management considerations.</p> <p>The council has a risk management strategy &amp; policy has been formally approved and adopted and is reviewed and updated on a regular basis. The Risk register incorporates financial and operational risks.</p> |                         |
| O      | <p>The leadership team takes action using reports enabling it to identify and correct emerging risks to its budget strategy and financial sustainability.</p> | <p>The Council has identified the elements of the balance sheet that are most critical to our financial sustainability.</p> <p>It has put in place mechanisms to monitor the risk associated with these.</p> <p>The Council has taken action to mitigate any risks identified.</p> <p>The Council reports</p> | <p>The Council has a strong balance sheet, and the CFO does not deem that there are any areas of concerns or risks to financial sustainability.</p> <p>ELT and Cabinet receives updates on the key elements of its balance sheet including:</p> <ul style="list-style-type: none"> <li>- Performance against the prudential indicators which are reported in the Council's Treasury outturn report.</li> <li>- Treasury mid-year and outturn report details cash, investments and borrowings decisions within the prudential indicators.</li> </ul>                                 |                         |

Appendix 1 CIPFA Financial Management Code

| FM Ref | Requirement                                                                                                                                                     | Guidance                                                                                                                                                         | Self-Assessment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Identified Improvements                                                                                                                                             |
|--------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|        |                                                                                                                                                                 | <p>unplanned use of reserves in a timely manner.</p> <p>The monitoring of balance sheet risks is integrated into the management accounts reporting processes</p> | <ul style="list-style-type: none"> <li>- Usable reserves are monitored and reported to Members with clearly defined plans for earmarked reserves.</li> <li>- Financial monitoring report to ELT and APC outlines performance against schools balances and information on covid grants received,</li> <li>- Pension liability and reserve are reported regularly to pension board and pension committee</li> <li>- S106 balances are reported to the Leader and Capital Review Group to ensure effective application of funds to the capital programme</li> </ul> <p>Finance also prepare balance sheet working papers for each balance sheet code periodically throughout the year (during hard close and yearend). Significant risks are reported to the S151 officer for resolution prior to year-end.</p> |                                                                                                                                                                     |
|        |                                                                                                                                                                 |                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                     |
| P      | The chief finance officer has personal responsibility for ensuring that the statutory accounts provided to the local authority comply with the Code of Practice | The Council's Leadership team are aware of the CFO's responsibilities in terms of the preparation of the annual financial statements.                            | The Statement of Accounts are prepared in compliance with the Code and approved by the CFO prior to submission to Audit and Performance Committee. The Council received an unqualified audit opinion for 2020/21. The CFO ensures adequate resources within Finance, including suitably trained accountants.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Accounts are prepared within statutory deadlines and working papers produced to a high standard. The Council will continue close working with the external auditors |

Appendix 1 CIPFA Financial Management Code

| FM Ref | Requirement                                                                                                                                      | Guidance                                                                                                                                                                                                                                                                                                    | Self-Assessment                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Identified Improvements                                                                            |
|--------|--------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------|
|        | <p>on Local Authority Accounting in the United Kingdom.</p>                                                                                      | <p>These responsibilities are included in the CFO's role description and personal objectives.</p> <p>The financial statements been prepared on time and in accordance with the requirements of the Code of Practice on Local Authority Accounting in the United Kingdom.</p>                                | <p>The responsibilities of the CFO are set out in the constitution, financial regulations and are also included in employment contract/job description as well as in statute. The latest audit report acknowledges the accounts have been prepared in accordance with the Code of Practice. The Council has consistently received an unqualified opinion from the external auditor on its Statement of Accounts and in its value for money opinion.</p>                       | <p>to implement any audit recommendations.</p>                                                     |
| Q      | <p>The presentation of the final outturn figures and variations from budget allow the leadership team to make strategic financial decisions.</p> | <p>The leadership team is provided with suitable reports on the authority's financial outturn and on significant variations from budget.</p> <p>The information in these reports is presented effectively. These reports focus on information that is of interest and relevance to the leadership team.</p> | <p>Revenue and Capital outturn is reported annually to Audit and Performance Committee. This includes variances against budgets and detail of significant variances, allowing for scrutiny.</p> <p>Significant variations emerging throughout the year in the monitor and at outturn are investigated further. This informs updates to the in-year budget position, medium term financial planning and forward planning and the implications on financial sustainability.</p> | <p>The Council will continue to review the format and usefulness of its performance reporting.</p> |



Appendix 1 CIPFA Financial Management Code

| FM Ref | Requirement | Guidance                                                                                      | Self-Assessment | Identified Improvements |
|--------|-------------|-----------------------------------------------------------------------------------------------|-----------------|-------------------------|
|        |             | The leadership team feel that the reports support it in making strategic financial decisions. |                 |                         |

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City of Westminster

## Audit & Performance Committee Report

|                           |                                                                  |
|---------------------------|------------------------------------------------------------------|
| <b>Date:</b>              | <b>16 February 2022</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 Governance and Committee Liaison</b>                  |
| <b>Report Author:</b>     | <b>Artemis Kassi<br/>Lead Scrutiny Advisor</b>                   |

### 1. Executive Summary

- 1.1 The Committee is invited to consider its Work Programme for the 2021/22 municipal year attached at **Appendix 1**, and to confirm the agenda items for its next meeting on 13 April 2022.
- 1.2 The Committee is asked to note that the actions which arose from its meeting on 1 December 2021, as detailed in **Appendix 2**.

### 2. Recommendations

It is recommended that the Committee:

- 2.1 agree the agenda items for its meeting in April 2022, as set out in this report and Appendix 1; and
- 2.2 consider items for the future work programme for 2022/2023.

### 3. Selecting items for the Work Programme

- 3.1 The draft Work Programme for 2021/22 is attached at Appendix 1 to the report. The remaining scheduled meeting for the current municipal year is:
  - 13 April 2022

- 3.2 Members' attention is drawn to the Terms of Reference for the Audit and Performance Committee (attached to this report as **Appendix 3**,) which may assist the Committee in identifying issues to be included in the Work Programme.
- 3.3 As members are aware, the Work Programme will be reviewed at each meeting of the Committee and items can be removed or added as necessary.
- 3.4 The Committee is asked to reflect on agenda items for its meeting on 13 April 2022. It is suggested that, in addition to the Finance, Performance and Internal Audit Monitoring Reports, the Committee consider receiving reports with a focus on the end of the financial year.
- 3.6 Members also may wish to suggest items for inclusion in the work programme, subject to the Committee's terms of reference.
- 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, Lead Scrutiny Advisor/Statutory Officer**

Email: [akassi@westminster.gov.uk](mailto:akassi@westminster.gov.uk)

**APPENDICES:**

Appendix 1 - Work Programme 2021/22

Appendix 2 – Action Tracker

Appendix 3 - Terms of Reference

**BACKGROUND PAPERS:** None

# Work Programme 2021/2022

## Audit and Performance Committee

**17 June 2021**

| Agenda Item                                                                    | Reasons & objective for item                                                                                                                                                        | Lead Officer                                                                                     |
|--------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|
| <b>Performance Report</b>                                                      | To review the City Council's performance at the end of the 2020/2021 financial year.                                                                                                | Gerald Almeroth<br>(Finance)<br>Pedro Wrobel/<br>Mo Rahman /<br>Damian Highwood<br>(Performance) |
| <b>2020/21 Financial Outturn</b>                                               | To receive a report on the Revenue and Capital Outturn for 2020 - 2021                                                                                                              | Gerald Almeroth<br>(Finance)                                                                     |
| <b>Treasury Management Strategy Outturn 2020/2021</b>                          | To note a report on the Treasury Management Strategy Outturn                                                                                                                        | Gerald Almeroth<br>Phil Triggs<br>(Finance)                                                      |
| <b>External Audit Certification of Claims and Returns Annual Audit 2019/20</b> | To note the annual external review of grants claimed through a grants certification process. This includes a summary of the review of the Housing Benefit Subsidy claim for 2019/20 | Gerald Almeroth/<br>Martin Hinckley<br>(Finance)<br>Grant Thornton                               |
| <b>External Audit Plan</b>                                                     | To receive an overview of the planned scope and timing of the statutory audits of the City of Westminster and the Westminster Pension Fund                                          | Gerald Almeroth<br>(Finance)<br>Grant Thornton                                                   |
| <b>Work Programme 2021/2022</b>                                                | To review the work programme for the 2021/2022 municipal year                                                                                                                       | Artemis Kassi                                                                                    |

**14 July 2021**

| <b>Agenda Item</b>                 | <b>Reasons &amp; objective for item</b>                                                                                                               | <b>Lead Officer</b>                             |
|------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|
| <b>Period 2 Finance Report</b>     | To review and consider the report of the Executive Director of Finance and Resources                                                                  | Gerald Almeroth<br>(Finance)                    |
| <b>Draft Accounts</b>              | To receive a report on the Draft Accounts                                                                                                             | Gerald Almeroth<br>Jake Bacchus<br>(Finance)    |
| <b>Annual Governance Statement</b> | To receive a report on the Annual Governance Statement for 2021 - 2022                                                                                | Gerald Almeroth<br>(Finance)                    |
| <b>Annual Opinion</b>              | To receive the Annual Opinion report on overall adequacy and effectiveness of the organisation's framework of governance, risk management and control | David Hughes<br>Moir Mackie<br>(Internal Audit) |
| <b>Annual Fraud Report</b>         | To review work undertaken by the fraud service during the period 1 April 2020 to 31 March 2021                                                        | Andy Hyatt<br>(Anti-Fraud)                      |
| <b>Procurement Report</b>          | To review Procurement Services at Westminster following the launch of new operating models with increased alignment to the directorates.              | Gerald Almeroth<br>Sarah Warman<br>Caron Smith  |
| <b>Work Programme 2021/2022</b>    | To review the work programme for the 2021/2022 municipal year                                                                                         | Artemis Kassi                                   |

**29 September 2021**

| Agenda Item                                                                                              | Reasons & objective for item                                                                                                                                                                                                                                                                                                   | Lead Officer                                                                                                        |
|----------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------|
| <b>Audit Findings Report 2020 - 2021 for the General Fund and Pension Accounts Statement of Accounts</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. To receive the report by Grant Thornton                                                                                                 | Gerald Almeroth<br>Jake Bacchus<br>(Finance) / Grant Thornton                                                       |
| <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.<br><br>To monitor the quarterly performance results against the 2021/2022 business plans (Quarter 1) | Gerald Almeroth<br>Jake Bacchus<br>(Finance)<br><br>Pedro Wrobel/<br>Damian Highwood/<br>Mo Rahman<br>(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 (Quarter 1)                                                                                                                                                    | David Hughes<br>Moir Mackie<br>(Internal Audit)                                                                     |
| <b>Verbal Update</b>                                                                                     | To update the Committee on progress since its meeting of 14 July, following the thematic review undertaken on health and safety in schools as part of the Internal Audit Plan                                                                                                                                                  | David Hughes<br>Moir Mackie<br>(Internal Audit)                                                                     |
| <b>Procurement Contract Performance</b>                                                                  | To review Contract Performance in the procurement context                                                                                                                                                                                                                                                                      | Gerald Almeroth<br>(Finance)<br>Sarah Warman                                                                        |
| <b>Council Officers: Gifts and Hospitality Policy</b>                                                    | To review the Council's Gifts and Hospitality Policy, as applicable to Council Officers                                                                                                                                                                                                                                        | Lee Witham<br>Tasnim Shawkat<br>Joyce Golder                                                                        |

|                                 |                                                                      |               |
|---------------------------------|----------------------------------------------------------------------|---------------|
| <b>Work Programme 2021/2022</b> | To review the work programme for the remainder of the municipal year | Artemis Kassi |
|---------------------------------|----------------------------------------------------------------------|---------------|

## 1 December 2021

| Agenda Item                                                      | Reasons & objective for item                                                                                                                                                                                                                                                                                                                                               | Lead Officer                                                                                                                                                          |
|------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <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 2 performance results against the 2021/2022 business plans and to conduct a half-yearly overview of performance</p> | <p>Gerald Almeroth/<br/>Jake Bacchus<br/>(Finance)</p> <p>Pedro Wrobel/<br/>Annelie Drabu/<br/>Sophie Shore/<br/>Damian Highwood/<br/>Mo Rahman<br/>(Performance)</p> |
| <b>Internal Audit Monitoring Report</b>                          | To oversee and monitor the success of the Audit Service in planning and delivering outcomes and establishing an effective and robust internal control framework (Quarter 2)                                                                                                                                                                                                | David Hughes<br>Moira Mackie<br>(Internal Audit)                                                                                                                      |
| <b>Internal Audit Charter</b>                                    | To review the Council's Internal Audit Charter which is maintained by the Shared Services Director for Internal Audit, Fraud, Risk and Insurance in accordance with the requirements of the Public Sector Internal Audit Standards (PSIAS)                                                                                                                                 | David Hughes<br>Moira Mackie<br>(Internal Audit)                                                                                                                      |
| <b>Mid-Year Counter Fraud Monitoring Report</b>                  | To oversee and monitor the success of the Counter Fraud Service                                                                                                                                                                                                                                                                                                            | David Hughes<br>Andy Hyatt<br>(Corporate Anti-Fraud Service)                                                                                                          |
| <b>Review Of Anti-Fraud Policies</b>                             | To review and approve the following which are maintained by the Corporate Anti-Fraud Service: - Whistleblowing Policy; - Fraud Response Plan; - Anti-Bribery Policy; and - Anti-Money Laundering Policy (including procedures)                                                                                                                                             | David Hughes<br>Andy Hyatt<br>(Corporate Anti-Fraud Service)                                                                                                          |



|                                              |                                                                                                                                                                               |                                  |
|----------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|
| <b>Verbal Update</b>                         | To update the Committee on progress since its meeting of 14 July, following the thematic review undertaken on health and safety in schools as part of the Internal Audit Plan | Moira Mackie<br>(Internal Audit) |
| <b>Re-tender of External Audit Contract</b>  | To review and approve the arrangements for the retendering of the external audit contract                                                                                     | Jake Bacchus<br>(Finance)        |
| <b>Corporate Complaints</b>                  | To consider the Corporate Complaints Annual Review                                                                                                                            | Martin Hinckley<br>Zoe Evans     |
| <b>Treasury Management Mid-Year Strategy</b> | To review the Treasury Management Mid-Year Strategy                                                                                                                           | Phil Triggs<br>Mathew Dawson     |
| <b>Council Staff Remuneration</b>            | To review the Council's pay schemes, as per the Constitution                                                                                                                  | Lee Witham                       |
| <b>Work Programme 2021/2022</b>              | To review the work programme for the remainder of the municipal year                                                                                                          | Artemis Kassi                    |

### 16 February 2021

| <b>Agenda Item</b>                            | <b>Reasons &amp; objective for item</b>                                                                                                                                         | <b>Lead Officer</b>                                           |
|-----------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------|
| <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 (Raj Mistry/Calvin Maclean) |
| <b>Immunisations</b>                          | To monitor and review progress (including the Covid-19 vaccination programme) since the previous report to the Committee of 23 September 2020                                   | NHSE/ Anna Raleigh/Sarah Crouch                               |
| <b>Council Staff Remuneration</b>             | To consider and review the Council's pay schemes, as per the Constitution. This report follows the December report, when the Committee requested more comprehensive information | Lee Witham<br>/ Pedro Wrobel                                  |

|                                                                  |                                                                                                                                                                                                                                                                                                                                           |                                                                                                                     |
|------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------|
| <b>Internal Audit Progress Report</b>                            | To review and comment on the progress of Internal Audit for 2021/2022                                                                                                                                                                                                                                                                     | David Hughes /<br>Moira Mackie                                                                                      |
| <b>Internal Audit Plan Report</b>                                | To review and comment on the draft audit plan for 2021/22                                                                                                                                                                                                                                                                                 | David Hughes /<br>Moira Mackie                                                                                      |
| <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.                                                                                                                                                                                                                  | Hazel Best<br>(Interim Monitoring Officer) / Joyce Golder / David Hughes / Lee Witham                               |
| <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 (Period 9).<br><br>To monitor the quarterly performance results against the 2021/2022 business plans (Quarter 3) | Gerald Almeroth<br>Jake Bacchus<br>(Finance)<br><br>Pedro Wrobel/<br>Damian Highwood/<br>Mo Rahman<br>(Performance) |
| <b>External Audit Value for Money Report</b>                     | To review the external audit Value for Money report                                                                                                                                                                                                                                                                                       | Gerald Almeroth<br>Jake Bacchus<br>(Finance)<br>/<br>Joanne Brown<br>Laurelin Griffiths<br>(Grant Thornton)         |
| <b>Report on the Appointment of External Auditors</b>            | To receive a report on the proposal to accept the Public Sector Audit Appointments (PSAA) invitation to use its framework to appoint external auditors for five financial years commencing 1 April 2023, with a view to making a recommendation to Full Council                                                                           | Gerald Almeroth<br>Jake Bacchus<br>(Finance)                                                                        |
| <b>Report on the Financial Management Code</b>                   | To review the report                                                                                                                                                                                                                                                                                                                      | Gerald Almeroth<br>Jake Bacchus<br>(Finance)                                                                        |

|                                     |                                                                      |               |
|-------------------------------------|----------------------------------------------------------------------|---------------|
| <b>Work Programme<br/>2021/2022</b> | To review the work programme for the remainder of the municipal year | Artemis Kassi |
|-------------------------------------|----------------------------------------------------------------------|---------------|

**13 April 2022**

| <b>Agenda Item</b>                  | <b>Reasons &amp; objective for item</b> | <b>Lead Officer</b> |
|-------------------------------------|-----------------------------------------|---------------------|
|                                     | <b>TO BE CONFIRMED</b>                  |                     |
| <b>Work Programme<br/>2021/2022</b> | To review the work programme            | Artemis Kassi       |

**Unallocated Work Programme Items**

| <b>Agenda Item</b> | <b>Reasons &amp; objective for item</b> | <b>Lead Officer</b> |
|--------------------|-----------------------------------------|---------------------|
|                    | TBC                                     |                     |

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## COMMITTEE ACTION TRACKER

## ACTIONS: 1 December 2021

| ACTION                                                                                                                                                                                                                                                                    | OUTCOME                                                                                                                                                                                                                                             | LEAD OFFICER                                        |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------|
| 1. Publicity of fraud cases for deterrent purposes.                                                                                                                                                                                                                       | Completed. The City Council's Fraud Team appeared on a BBC television programme, explaining one of their completed cases (BBC, 02.02.2022)<br><br><a href="https://www.bbc.co.uk/programmes/m00142vi">https://www.bbc.co.uk/programmes/m00142vi</a> | David Hughes /<br>Andy Hyatt                        |
| 2. The Committee to receive more information about staff career trajectories, skills mapping of the existing workforce, robustness of recruitment processes, pay gaps. Information to be provided by grade and by function. Staff Remuneration report (01.12.21) deferred | In progress. The Committee deferred the Staff Remuneration report to its February meeting, with additional information to be supplied                                                                                                               | Lee Witham /<br>Neale Hunter-Rowe /<br>Antony Berge |

## ACTIONS: 29 September 2021

| ACTION                                                                                                                                                                                 | OUTCOME     | LEAD OFFICER |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|--------------|
| 1. The Committee repeated a query from a prior meeting concerning how risk scores were calculated and again requested if guidance could be provided regarding their meaning in context | In progress | All          |

## ACTIONS: 14 July 2021

| ACTION                                                                                                                   | OUTCOME                                                                                | LEAD OFFICER                      |
|--------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------|-----------------------------------|
| 1. The Committee to receive an update on the Capital Programme                                                           | In progress                                                                            | Gerald Almeroth<br>Debbie Jackson |
| 2. The Committee to receive details on the WESTMINSTER BUILDS brand                                                      | In progress                                                                            | Debbie Jackson                    |
| 3. The Committee to receive an update at its next meeting and also to refer its concerns about the reporting, compliance | Completed. The Committee received a verbal update at its meeting of 29 September 2021. | Moirra Mackie/<br>Artemis Kassi   |

|                                                                                                                                                                         |                                                                                                     |              |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|--------------|
| and governance in schools (especially with reference to mental health policies) to the Business and Children's Policy and Scrutiny Committee for further investigation. | This followed review by the Business and Children's P&S Committee at its meeting on 6 October 2021. |              |
| 4. The Committee to receive details about social value in procurement, including a definition of social value                                                           | In progress                                                                                         | Sarah Warman |

### ACTIONS: 17 June 2021

| ACTION                                                                                                                                                                                          | OUTCOME                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | LEAD OFFICER                                      |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|
| <b>PERFORMANCE YEAR END REPORT</b>                                                                                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                   |
| 1. The Committee to receive details on the further mitigating actions required and activities beyond 'monitoring' concerning the demand for care homes risk                                     | In progress                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Bernie Flaherty<br>Paul Wilmette<br>Manisha Patel |
| 2. The Committee to receive details on the further mitigating actions required beyond 'monitoring' concerning the looked after children risk                                                    | In progress                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Sarah Newman<br>Dayana Kerton                     |
| 3. Recirculate the ISOS report                                                                                                                                                                  | Completed. This was submitted to the Committee on 2 December 2020. Recirculated.                                                                                                                                                                                                                                                                                                                                                                                                                    | Artemis Kassi                                     |
| 4. The Committee to receive details about the Fire Safety Bill and whether the Fire Safety Bill risk includes the new Home Office proposals and 15 pieces of secondary legislation in this area | Completed. The risk covered in the Year End Performance report relates to compliance with the requirements of the Draft Building Safety Bill. The Fire Safety Bill is a separate piece of legislation                                                                                                                                                                                                                                                                                               | Debbie Jackson<br>Ian Clarke                      |
| 5. The Committee to receive information about whether the Council intends to move to BS9997, the new fire safety standard                                                                       | Completed. Officers advised that the Building Safety Bill (BSB) would have much greater significance to the Council moving forward.<br>Briefing Note to be circulated to the Committee.<br>Officers also advised that BS9997 had been in place since 2019 and is the British Standard dealing with Fire Risk Management Systems. This is guidance for property owners to risk manage fire safety and did not necessarily demonstrate compliance with existing and proposed fire safety legislation. | Debbie Jackson<br>Ian Clarke                      |
| 6. The Committee reports to include targets on all KPI tables in the front section of the report for consistency                                                                                | In progress. S&I to implement this for next quarter's report.                                                                                                                                                                                                                                                                                                                                                                                                                                       | Pedro Wrobel<br>Annelie<br>Drabu/Sophie<br>Shore  |
| <b>REVENUE AND CAPITAL OUTTURN STRATEGY MID-YEAR REVIEW</b>                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                   |

|                                                         |             |                                                               |
|---------------------------------------------------------|-------------|---------------------------------------------------------------|
| 1. The Committee to receive an update relating to fraud | In progress | Gerald Almeroth<br>Jake Bacchus<br>David Hughes<br>Andy Hyatt |
|---------------------------------------------------------|-------------|---------------------------------------------------------------|

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**AUDIT AND PERFORMANCE COMMITTEE TERMS OF REFERENCE**

**CONSTITUTION**

The Audit and Performance Committee is composed of 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 Audit Commission 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 Director of Law 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.
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 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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