



Executive Summary and Recommendations

	Committee Report
Date:	28th June 2011
Subject:	2010/11 Year End Finance and Performance Report

Summary

This report provides Members with a Council wide financial and service performance update for 2010/11. The report looks at finance and performance over the past year and the implications for the new financial year.

Recommendations

That the Committee considers the content of this report and recommends any performance issues that require further scrutiny by the Budget/Performance Task Group.



City of Westminster

Audit and Performance Committee

Date:

28th June 2011

Classification:

For General Release

Title of Report:

2010/11 Year End Finance and Performance Report

Report of:

Chief Executive and Strategic Director, Finance and Performance

Wards Involved:

All

Policy Context:

Living City Programme

Financial Summary:

The report presents the City Council's financial outturn for 2010/11. The full year outturn position for 2010/11 shows an overspend of £12.4m. Combined with the budgeted £5m use of Reserves, this reduces Reserves in the financial year by £17m to close at £15m.

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Introduction

This summary outlines the Council's financial outturn for 2010/11. Section 1 below provides an overview of the year-end Revenue position, Section 2 identifies the Capital position, Section 3 outlines "Period 13" adjustments and Section 4 provides a Debt analysis.

Section 1: Revenue Expenditure

1. Revenue Outturn for 2010/11

The full year outturn position for 2010/11 shows an overspend of £12.4m. Combined with the budgeted £5m use of Reserves, this reduces Reserves in the financial year by £17m to close at £15m. Both the Revenue and Closing Reserves position show a £2m improvement against the "Best Estimate" having absorbed an additional unbudgeted cost of £1m from the Mouchel legal settlement.

Overall, the Service Area result (including Parking) is a £2.8m overspend, with an additional adverse variance against Budget of £2.3m in Corporate Items. In addition to this operational overspend of £5.1m, the Council has absorbed risks and write-offs of £7.3m. Together, these three items make up the £12.4m shortfall for 2010/11.

The £2.8m Service Area variance is analysed as follows:

- Favourable variances (under spends) - City Management (excluding Parking) £1.8m, SEB & Strategic Support £1m, Housing £0.4m, Built Environment £0.2m, Finance & Performance £0.1m and Adults £0.1m.
- Unfavourable variances (over spends) – Resources £1.2m, Parking £5.2m.
- Broadly on Budget – Commissioning and Children's.

2. Forecast History

There has been significant improvement in forecasting by Service Areas since the "Best Estimate" was introduced in Period 4. In summary, the key points are:

- Forecast accuracy at the beginning of the year was very poor, with significant improvement across the year.
- The "Best Estimate" established by Corporate Finance set a strong benchmark for financial improvement in containing the projected in-year loss to £14m. It has been exceeded by £2m including the impact of the Mouchel settlement. This is a significant achievement.
- From an operational perspective, the financial result for the year has been dominated by Parking with a total impact of £9m. The other major adverse impacts have arisen from the write off of historic unallocated savings targets (£2.6m) and the phasing of implementation for the June 2010 savings programme (£5.3m). Against these "exceptional items", we held a £5.5m risk contingency. For 2011/12, we remain highly dependent on Parking income: there are no unallocated savings targets: there are no contingencies.
- Overall, outturn improved by £1.6m against the Period 11 projection, with Resources being the only significant exception to month on month progress.

Section 2: Capital Expenditure

The full year net Capital spend is £41m. This is an underspend of £9m against the Approved £50m August Budget and c. £17m against the Original March Budget (of £58m).

The underspend relative to Budget on Capital has arisen from slippage on schemes across all Service Areas, offset by £2m of capital cost through utilising the Capitalisation authorisation for 2010/11 from CLG.

The variance is predominantly due to slippage on projects in the following Service Areas:

- Adults £1.7m – Paddington Children’s Library (£1.1m).
- Built Environment £5.1m – Leicester Square (£1.8m).
- Children’s Services £5.7m – BSF projects (£3m).
- City Management £1.7m – Public Conveniences (£1.1m).
- Resources £5.7m – IT (£3.9m) and Property related schemes (£1.6m).

Section 3: Period 13 Analysis

The figures presented in this report are substantially final, subject to audit. As part of monitoring the quality of financial reporting, we have compared the initial indications provided by Service Areas on the full year result with those finally reported at year end close.

These adjustments are shown in the table below.

SERVICE AREA		Full Year Variance		
		Initial Period 12 (£,000's)	Final Close (£,000's)	Adjustments Better / (Worse) (£,000's)
SEB & STRATEGIC SUPPORT	<i>Mike More</i>	9,541	9,411	130
COMMISSIONERS	<i>Mike More</i>	6,663	6,597	67
FINANCE & PERFORMANCE	<i>Barbara Moorhouse</i>	17,689	17,807	(118)
RESOURCES & CSI	<i>Alastair Gilchrist</i>	35,293	36,204	(912)
ADULTS SERVICES	<i>Marian Harrington</i>	98,918	98,843	75
CHILDRENS SERVICES	<i>Michael O'Connor</i>	41,843	41,843	0
HOUSING	<i>Mike More</i>	24,609	24,614	(5)
BUILT ENVIRONMENT	<i>Rosemarie MacQueen</i>	15,836	15,882	(46)
CITY MANAGEMENT	<i>Leith Penny</i>	53,441	53,460	(19)
PARKING	<i>Leith Penny</i>	(46,430)	(46,400)	(30)
SERVICE AREA TOTALS		257,403	258,261	(858)
CORPORATE ITEMS		(11,546)	(12,002)	456
TOTAL		245,857	246,259	(402)

Overall, the level of adjustments has not had a material impact on the result, except in Resources due to some IT recharges not coming to light and therefore not being posted until after Period 12 close.

Section 4: Debt Analysis

The outstanding debt and debtor days figures at Period 12 compared with period 11 shows a £0.8m increase in outstanding debt with debtor days remaining constant at 57. The difference between the periods has been the additional £0.6m of debt raised over the past 30 days with debt aged over 30 days increasing by almost £0.2m. Below is the aged debtor profile.

Debtors Ageing – combined Services Areas	Period 11		Period 12	
	£m	%	£m	%
0 – 30 days	5.32	56%	5.92	58%
31 – 60 days	0.62	7%	1.23	12%
61 – 90 days	0.66	7%	0.34	3%
91 – 180 days	0.87	9%	0.77	8%
181 – 365 days	0.52	5%	0.54	5%
12 + months	1.52	16%	1.46	14%
Total Debtors	9.51	100%	10.26	100%
Debtor Days	57		57	

Particular areas to note at Period 12 are:

- One invoice to Parliament and one to Crown Estate of £1.6m.
- Top 20 Residential/Homecare invoices valued at £0.5m.
- EDF Energy Invoices in query relating to Housing valued at £0.4m.
- Two CityWest Homes invoices for £0.2m.

COUNCIL WIDE PERFORMANCE UPDATE FOR 2010/11

This report provides a Council-wide performance update for 2010/11. Performance updates highlighted below are based on the available performance reports for service areas.

- * **Section 1** highlights key areas of performance challenges for management attention.
- * **Section 2** looks at progress over the year against the delivery of the Living City Pledges.
- * **Section 3** provides a detailed performance and risk update for each service area.

1.1 Areas of notable performance – successes:

Findings from the City Survey 2011:

- ✓ Over four in five residents (**83%**) feel **Westminster is a place where people from different backgrounds get on well together**, three quarters (75%) do not feel their lives are affected by fear of crime and issues around anti-social behaviour, such as noisy neighbours and vandalism are less of a problem now than a few years ago.
- ✓ The proportion of **residents who think the council is making the local area a better place** to live has risen by ten points (from 62% to 72%) since 2008.
- ✓ The **council continues to be in a strong position across key reputation measures**. The proportion of residents who are satisfied with the council has increased by three points to 85%, while the proportion of council advocates has increased significantly, up 12% to 59%. Value for money has also increased, currently standing at 66% (up 8% on 2010).
- ✓ Analysis from national polls, **show satisfaction with councils and value for money ratings** across the UK have decreased going into 2011. Westminster has, so far, bucked this trend seeing both of these measures increase over the last year and therefore is in a good position for 2011.

Children's Services:

- ✓ **Education results for 2010 show Westminster improved** in most areas and overall performance remains in line with the London average.
 - Excellent progress made at Key Stage 2, 77% of pupils achieved level 4+ in English and maths compared to 74% in 2009. Westminster's performance was above average for inner London and England.
 - Excellent progress continues to be made towards the Council's target of 75% of pupils achieving 5+ A*-C grades at GCSE). In 2010 62% of pupils achieved this, up 9% on 2009. Westminster is ranked 1st in England for progress made since 2006 and 17th for performance in 2010.
- ✓ The **rate of persistent absence for secondary school pupils was the lowest** in the country for 2009/10.
- ✓ Over the last year, **the number of Child Protection plans has fallen** by 29% (from 144 to 102) and **the number of LAC has fallen** by 26% (from 247 to 207).
- ✓ **Youth re-offending has improved** this year. The frequency rate for 2010-11 was 0.96 offences per young person compared to 1.33 in the previous year. The **number of new entrants into the youth offending system also fell** this year quite markedly by 48% (from 126 last year to 79).

Housing Services:

- ✓ In total **943 affordable homes have been delivered** since March 2008. We have exceeded the mayor's target of 925 by year end.
- ✓ It takes Westminster **11.2 weeks (target <16 weeks) to resolve the needs of persons needing major adaptations** in the private sector housing, significant improvement on last year (21.87 weeks) due to the employment of two surveyors & an extra caseworker.
- ✓ We provide **support to 99% (target, 98%) of vulnerable people** in Westminster to maintain independent living.

Adult Social Care:

- ✓ Since 2009/10, there has been a **9% reduction in the rates of older people supported at home**, a **10% reduction in the rate of people with a learning disability supported at home**, and a slight increase in the rates of people with mental health needs of 9%.
- ✓ Since 2009/10, there has been a **17% reduction in the number of people supported**, and a 13% reduction in the monthly number of hours of home care
- ✓ Work in reviewing all people currently supported who may have less than 'substantial' needs is proceeding on track, so far around 28% of cases have been reviewed, and care management services are on track to complete reviews within the agreed timescales.

Libraries & Culture:

- ✓ **2,744,450 visits to libraries in 2010/11**, up 3.9% on annual target and last year.

Sports and Leisure:

- ✓ The total usage of the sports and leisure facilities for 2010-11 was **3,140,853**, exceeding our target figure for the year. A significant increase of 11.4% from the previous year (2,780,167) has been noted.

Information Services:

- ✓ The community **computers scheme has now helped 61 charities across Westminster** by providing them with more than 400 free computers and the wider Westminster In-Touch programme won the 2010 national real IT award for corporate social and environmental responsibility in recognition of its achievements.
- ✓ **71% of users satisfied with IT helpdesk service**, up from 53% 6 months ago.

Customer Services:

- ✓ **86% of customers were satisfied** with the way their queries were handled by the council.

Property:

- ✓ **Rent: as at 31 March 2011 has increased to £20.5 million** (£11 million 24 months ago). This is a near doubling of income in 24 months.
- ✓ **Vacant premises: A new record low of just 1.24%** of units this compares with a London average of 9.8%.

City Management:

- ✓ **Compliance levels in the City are good** with motorists parked at around 98% compliance.
- ✓ **90% of resident are satisfied** with parks and open spaces in Westminster.
- ✓ To date **21 green flags have been awarded** to our parks and open spaces.
- ✓ 520 units (target of 330 exceeded) of accommodation have been made decent this year.

Built Environment:

- ✓ **Resident satisfaction ratings for road and pavement maintenance** up six and five points respectively to 75% since 2010.

1.2 Areas of note identified for improvement / performance challenges:

Children's Services:

- × **Results for the Foundation Stage Profile** show that children in Westminster aged 5 do not achieve as well as their peers nationally.
 - Beginning with a pilot at Edward Wilson school in May, we will be implementing the FAST (Families and Schools Together) programme to provide more intensive support to targeted children and their parents.
- × **65% of initial and core assessments** were authorised within 10 and 35 days respectively.
 - Westminster is now piloting a new approach to assessments as part of the Munro Review of child protection services. This relaxes requirements to complete assessments within as specified time, shifting the focus on to the quality of the final assessment.
- × **76.5% of young offenders were in suitable education, employment or training** compared to 80.1% last year.
 - Staffing reductions across the Youth Offending Team have made this a more difficult target to achieve this year. The YOT and the locality services are working together to find additional capacity going forward.

Adults and Community Services:

- × **CQC Review of people making first contact with social services.** Overall Westminster was rated as 'Fair performing'. The Council scored '**excellent**' in the number of attempts it took to make initial contact, but '**very poor**' in the number of times callers were transferred. '**Weak**' areas identified were monitoring the outcomes experienced by people sign-posted to other services or sources of help and advice.
 - Adult Social Care services are developing plans to address areas of underperformance; findings are being addressed through the wider review of advice and information services and through customer services. Westminster LINK will undertake mystery shopping research; this will help assess customer experience with the service.
- × **17% of people supported at home received a personal budget and / or direct payment;** this is below the national target of 30%, and is likely to be the lowest performance in Inner London (benchmarking results will be published nationally in the autumn).
 - The lower performance is partially explained by the implementation of the new eligibility threshold in Westminster during the year. Care management services are developing plans to prioritise reviews of people with substantial and critical needs supported at home, who are not yet on a personal budget
- × Overall, **33% of new referrals of older and disabled people were accepted by the service; substantially lower than expected for 2010/11.** Also, there is a high number of referrals have not been completed by the service.
- × Work in reviewing all people currently supported who may have less than 'substantial' needs are proceeding on track. However, in year **savings expected are £801k compared to the saving target of £1.405m.**
 - Work is in hand to reprioritise cases for reassessment in order to help increase the savings likely to be released.

Housing Services:

- × **1,726 households remain in temporary accommodation**, against our yearend target of 1,573. Our government target to reach 1,573 by March 2011 has not been met. And the 2011/12 target of 1,850 remains a very challenging aspiration due to the continued economic climate and increasing homelessness.
- × **422 households were prevented or relieved from becoming homeless** in 2010/11, against our annual target (500) met.
- × **Homelessness activity has increased** in 2010/11 and achieving preventions in the private sector is challenging in the current climate.
 - Housing Services will continue to innovate with new forms of supply being developed through Community Build and the Housing Renewal Estates programmes, although the bulk of this supply of accommodation will come on stream well beyond 2010/11.

Procurement & Supplier Relationship Management:

- × Procurement has recorded **£16.7m of the £20m procurement related savings target**.
 - Central Procurement, in particular Group SRM's Parking/Waste, People Services, Vertex/CSI, Parking, Highways/Roads & Group Procurement are developing relationships with and working alongside Business Partners to determine where resources can best be utilised to identify spend areas where potential procurement savings can be achieved in 2011/12.

City Management:

- × Total **Commercial Waste income (£8.5m)** is around £2.9m below profile (target, £11.14m) at year end.
- × **PCN income** (includes: on-street, CCTV and Smart car enforcement) is likely to be more than £8m below profile at year end.
- × Overall, crime in Westminster remained relatively static in 2010/11 as it has for the last three-years. 63,367 crimes were committed in the 12-months to December 2010, down from 63,848 on the previous 12-months.
 - There have been notable reductions over the last three years in Burglary (down 12%), and Criminal Damage (down 10%). However, there have been significant increases in Drugs (up 13%) and Robbery offences (up 4%).
 - Notable increase in Robbery offences, up 12% on last year compared to the same period last year. This is reflective of the trend across London with Robbery up 14% to start the year.
 - The vast majority of offences committed in Westminster relate to theft and handling offences such as shoplifting and pick pocketing (see below). Theft and handling offences made up 59% of offences in 2010/11, compared to 51% in Kensington & Chelsea and just 44% in Hammersmith & Fulham.

2. Living City Pledges

Summary
<p>Completed Pledges in 2010/11:</p> <ul style="list-style-type: none"> ✓ Pledge 1: A freeze on council tax for 2010/11 ✓ Pledge 6: In partnership with Brathay, work with 20 young people who are involved in local gangs, guiding them from criminality & helping them become responsible members of society. ✓ Pledge 7: Making Westminster a 'City of Sport' with four new sports centres and increasing access to sport and leisure facilities across the city. ✓ Pledge 8: Establishing a Social Care Commission bringing together social policy experts and practitioners to decide how we can continue to deliver excellent, personalised services.
<p>Pledges 'On Track' for completion in 2011/12 or beyond:</p> <ul style="list-style-type: none"> ✓ Pledge 2: A £14 million redevelopment of Piccadilly Circus with the introduction of a two-way traffic system as well as a multi-million pound transformation of Leicester Square. ✓ Pledge 3: Improving a further 600 local streets through the Neat Streets programme so that the city will be ready for the 2012 Olympics and the Queen's Diamond Jubilee. ✓ Pledge 4: A new phase of the City Recovery programme aims to support 4,000 residents into work. ✓ Pledge 9: Driving forward the programme of housing renewal which aims to improve the quality of our housing and estates, making the best use of limited space. ✓ Pledge 10: Renewing the successful Neighbourhoods programme and devolving £1m to be spent on local projects

2.1 Living City Project updates for 2010/11:

PLEDGE 1:			
A freeze on council tax for 2010/11 - a third consecutive freeze.			
Update	Already implemented.		
Budget & Spend	N/A		
Project Status	Completed	Agreed delivery date	December 2010

PLEDGE 2:			
A £14 million redevelopment of Piccadilly Circus with the introduction of a two-way traffic system as well as a multi-million pound transformation of Leicester Square.			
Update	<p>Leicester Square</p> <ul style="list-style-type: none"> • Substantial completion of scheme is still on target to complete in December 2011. Management Plan currently in draft format. <p>Piccadilly Two-Way Scheme</p> <ul style="list-style-type: none"> • Pall Mall substantially complete. • The Circus works in progress. • Contract awarded 24 January and works in progress. • Tendered Scheme works in progress. 		
Budget & Spend	<ul style="list-style-type: none"> • Leicester Sq Budget: £16.7m. Spend to date: £3.4m 2010/11. • Piccadilly Budget: £14m. Spend to date: £4.8m 2010/11. 		
Project Status	On Track for Completion in 2011/12	Agreed delivery date	LS April 2012 & P2W Nov 2011

PLEDGE 3: Improving a further 600 local streets through the Neat Streets programme so that the city will be ready for the 2012 Olympics and the Queen's Diamond Jubilee.			
Update	<ul style="list-style-type: none"> • Neat Streets operated ahead of schedule throughout the year. In addition to the planned wards visited up to Marylebone High Street, the project also completed Churchill, Tachbrook and Warwick ward improvements in 2010/11 as well. This brought the total number of streets assessed to 631. • Of the 631 streets assessed, 605 streets had all planned works completed in FY 2010/11. The remaining streets have outstanding works that were not completed. These larger more complex jobs involved either major works or relied on third party. • 99% highway works are complete and 6,394 jobs have been completed. • 97% regulated signage changes have been made with 483 Jobs completed. 		
Budget & Spend	<ul style="list-style-type: none"> • Total project budget: £1.25m (£900k from WCC and £350k from TfL), Spend to date: £1.163m 		
Project Status	On Track for Completion in 2012	Agreed delivery date	March 2012

PLEDGE 4: A new phase of the City Recovery programme aims to support 4,000 residents into work.			
Update	<ul style="list-style-type: none"> • Overall WestminsterWorks performance: 3,125 enrolments, 511 jobs starts, 1,300 received over 6 hours employment support. • Neighbourhood and Enterprise programme has assisted 64 people to receive Enterprise Coaching and Access to Finance services. 2 new mini-Business Information Points were launched in Paddington and Pimlico. • The Business Innovations Hub has met the target of providing space for 1,000 innovators & entrepreneurs. • We have assisted 149 businesses to receive training, trade trip and cabling infrastructure bursaries through the small creative businesses initiative. • The Future Jobs Fund has achieved job starts for 134 18-24 year olds. • The WestminsterWorks for Young People project has seen 630 registrations (target, 620), 145 job starts (Target, 156), 14 sustained jobs (target, 102). Project ends September 2011. 		
Budget & Spend	<ul style="list-style-type: none"> • Westminster Works - Budget: £1.4m, Spend to date: £1.4m. • *Neighbourhood Enterprise Programme - Budget: £148,218.97 Spend to date: £153,277 • *Intelligent & Affordable Workspace Budget: £25,775, Spend to date: £33,275 • *Small Creative Business - Budget: £365,000, Spend to date: £344,959 • Westminster Works for Young People - Budget: £498,000, Spend to date: £216,082 • Future Jobs Fund - Budget: £253,500, Spend to date: £135,374 • *NOTE: Overall Budget: £536,180, Total Spend to date: £533,124 		
Project Status	On Track for Completion in 2011	Agreed delivery date	September 2011

PLEDGE 5: Raising achievement of pupils in Westminster schools, a 24% increase in just over 2 years, so they can reach their full potential, gain qualifications that help them into further education, training and jobs.			
Update	<ul style="list-style-type: none"> ✓ Excellent progress continues to be made towards the Council's target of 75% of pupils achieving 5+ A*-C grades at GCSE). In 2010 62% of pupils achieved this, up 9% on 2009. Westminster is ranked 1st in England for progress made since 2006 and 17th for performance in 2010. 		
Budget & Spend	N/A		
Project Status	On Track	Agreed delivery date	2011/12

PLEDGE 6: In partnership with Brathay, work with 20 young people who are involved in local gangs, guiding them from criminality & helping them become responsible members of society.			
Update	<ul style="list-style-type: none"> • Full evaluation to be completed in May 2011. The evaluation will identify and measure the outcomes achieved by the young people, evaluate the programme's design and structure, and will make recommendations for future developments and improvements to the delivery. • The SWP has asked for a 1 year longitudinal tracking of the young people who were on the Brathay gang exit programme in order to monitor the success once the programme has ended. • The Locality Young People's Service is working with those identified on the programme that could benefit from additional support. Some of the young people are also involved in the cross-border mediation Endz United Programme • Going forward, the SWP has committed £70k in total towards a flexible gang worker and additional gang diversion work in-borough and cross-border. 		
Budget & Spend	• Budget: £50,000, Spend: £50,000 spent to date		
Project Status	Completed	Agreed delivery date	January 2011

PLEDGE 7: Making Westminster a 'City of Sport' with four new sports centres and increasing access to sport and leisure facilities across the city.			
Update	<ul style="list-style-type: none"> • Marshall Street LC completed and opened in July 2010. • Works for the new facility at Seymour Street to complete w/c 23/5/11 • Project postponed due to the wider proposals to re-develop the Moberly Sports centre & Jubilee Sports Centre sites. • Community use for the sports facilities at all three school/academy sites secured and delivered. • 140 hours of free activities achieved. • 34 Clubs have been accredited March 2011. • 47 talented young people have benefitted from programme. 		
Budget & Spend	• Programme will be delivered at no additional cost. No budget details required		
Project Status	Completed (1 Project Postponed)	Agreed delivery date	March 2011

PLEDGE 8: Establishing a Social Care Commission bringing together social policy experts and practitioners to decide how we can continue to deliver excellent, personalised services.			
Update	<ul style="list-style-type: none"> • Report of the Commission 'A Vision for the Future Health and Social Wellbeing of a City' was launched on 20th April. • The Cabinet Member for Adult Services and Health, and Adult Services Department will respond formally this year and an action plan will be developed. • The Chair of the Commission has discussed the report with Scrutiny Committee in early May. <p>*Further actions possible into 2011/12</p>		
Budget & Spend	• No specific budget – Commissioners giving their time voluntarily. Only spend is officer time.		
Project Status	Completed	Agreed delivery date	*2011/12

PLEDGE 9: Driving forward the programme of housing renewal which aims to improve the quality of our housing and estates, making the best use of limited space. (Commitment goes beyond 2011/12)			
Update	<ul style="list-style-type: none"> • Church Street - Urban Initiatives completed the Futures Plan Final Recommendations Report in January and Paddington Development Trust is the successful tenderer to manage Community Engagement on Church St /Paddington Green and Westbourne Green. They have been commissioned from April 2011 to March 2012 • The masterplan for Ebury Bridge Estate will be developed by HTA. • Tollgate is now developing a planning application on the redevelopment option agreed by residents; Brunel and Westbourne Green schemes are ongoing. • Voting by residents on their preferred option for Brunel took place in April. Residents voted not to proceed with redevelopment/regeneration of their estate. HTA are now finalising their masterplan report including comments from residents • Community Build - Little Venice and Bourne Terrace Undercrofts have completed and the 10 units handed over to CityWest Homes in February 2011. 		
Budget & Spend	• Budget for 2010/11: £1.5m, Actual spend to date: £1m		
Project Status	On Track	Agreed delivery date	Estimated 2013/14

PLEDGE 10: Renewing the successful Neighbourhoods programme and devolving £1m to be spent on local projects			
Update	<ul style="list-style-type: none"> • It was agreed that under spend in year will be rolled forward into 2011-12. • £596,729 allocated by wards from the £1m pot. 168 projects commissioned in year. • A final summary of spend across all wards was sent to all Members and the Cabinet Member on 1 April 2011. A list of all projects commissioned has been uploaded onto the website 		
Budget & Spend	• Budget: £1m, Spend to date: £596,729		
Project Status	On Track for Completion in 2011/12	Agreed delivery date	March 2012

3. **Headline performance highlights [✓] and issues [✗]:**

Performance updates highlighted below are based on the available performance reports as at March 2011.

3.1 Children's Services

Education

The Annual Education Report to Policy and Scrutiny in November provides a detailed analysis of exam results for 2010. An education progress report to Cabinet in March 2011 provides further updates, including against the Education Commission recommendations. The main points are summarised below.

Education standards:

- ✗ Results for the Foundation Stage Profile show that children aged 5 do not achieve as well as their peers nationally.
 - In 2010 46% achieved a "good level of development" compared to 56% nationally. Beginning with a pilot at Edward Wilson school in May, we will be implementing the FAST (Families and Schools Together) programme to provide more intensive support to targeted children and their parents. This programme seeks to strengthen parent led learning and there is evidence to show long term, successes amongst lower income families.
- ✓ By the end of Key Stage 2 (11 years old) pupils attending Westminster have made excellent progress. In 2010 the percentage achieving Level 4+ in English and maths increased from 73% in 2009 to 77%. This was 3 points above the average for Inner London and England.
- ✓ Excellent progress continues to be made towards the Council's target of 75% of pupils achieving 5+ A*-C grades at GCSE (including English and maths). In 2010 62% of pupils achieved this, an improvement of 9 points on 2009. Westminster is ranked 1st in England for progress made since 2006 and 17th for performance in 2010.

Building Schools for the Future (BSF):

- ✓ All projects have been completed or are close to completion except one. £164m has been invested in improving school buildings and an additional £11m in improved ICT facilities.
 - The only outstanding project is the redevelopment of the Marlborough Hill site. This includes the establishment of a new Alternative Education Centre, the redevelopment of George Elliot Primary School and Quintin Kynaston Secondary School. The project is scheduled for completion in 2014.

School places:

- There was a significant increase in applications for primary places last year. This was managed by adding 3 extra classes at existing schools. The number of applications was similar this year. The opening of the new ARK Free School will ensure that there are sufficient places this year.
- Approximately 100 more applications were received this year for entry to secondary school. This had been predicted and additional places have been created at existing schools.
- ✓ We continue to manage in year school admissions. At present there are 130 pupils waiting to be allocated a school place. This is down from 170 at the same point last year.

Early intervention and specialist services

Early intervention and preventative services:

- ✓ Multi-agency services organised around localities are now well established. At the end of January 986 children and young people (measured by open CAFs) were being supported.
- ✓ Key indicators of the impact of these services are the numbers staying out of higher cost specialist services. The number of LAC has fallen from 247 at March 2010 to 207 at March 2011. The number of children and young people subject to a CP plan has fallen from 144 to 102 over the same period.

Child protection:

- ✓ As indicated above the number of CP plans has fallen from 144 to 102 over the last 12 months.
- ✓ Following a significant increase during 2009-10, the number of referrals to social care fell back slightly in 2010-11 to 2,554 compared to 2,868 in 2009-10.
- ✗ 65% of initial and core assessments were authorised within 10 and 35 days respectively. (This was a new measure of performance for 2010-11 so there is no comparative data).
 - Westminster is now piloting a new approach to assessments as part of the Munro Review of child protection services. This relaxes requirements to complete assessments within as specified time, shifting the focus on to the quality of the final assessment.
- ✗ During 2010-11 the percentage of CP plans lasting two or more years increased to 8.4% compared to 2.5% in 2009-10. The percentage of children subject to a second or subsequent plan also increased to 16.8% from 4.8% previously.
 - The safeguarding unit are introducing a new case conference framework from September 2011 called *Strengthening Families*. The framework will require a much clearer analysis of parents' ability to make changes that will result in children spending less time subject to plans either because progress is being made or because legal proceedings will be taken.
- ✓ All 202 child protection reviews were completed on time.

Looked after children:

- ✓ As indicated above the number of LAC has fallen from 247 to 207 over the last year.
- ✓ At the end of March 82% of LAC had been in the same placement for at least 2 years. This is up from 74% last year.
- ✓ 99.8% (487 of 488) LAC reviews were completed on time compared to 97% last year.
- 13 children have been adopted or are subject to a Special Guardianship Order this year, the same number as last year.

Youth Offending:

- ✓ The rate of re-offending has improved this year. The frequency rate for 2010-11 was 0.96 offences per young person compared to 1.33 in the previous year.
- ✓ The number of new entrants also fell this year quite markedly from 126 last year to 79.
- ✗ 23 of 331 (6.9%) of young people receiving a conviction in court were sentenced to custody. This compares to 19 of 348 (5.5%) last year.
- ✗ 76.5% of young offenders were in suitable education, employment or training compared to 80.1% last year.
 - Staffing reductions across the Youth Offending Team have made this a more difficult target to achieve this year. The YOT and the locality services are working together to find additional capacity going forward.
- ✓ 99% were able to access suitable accommodation, up from 94% last year.

3.1.1 Children's Services Risks

Risks are defined as threats that could have an adverse affect or prevent key outcomes and business objectives from being met. Risks that are uncontrolled may become issues that impact on service delivery. All risks scoring above 12 (high impact/high probability) are shown below.

Risk	Risk score	Impact
LAC numbers and high cost placements	12	<ul style="list-style-type: none"> - Risk that numbers start to rise, increasing demand for placements. - Even without a rise in overall numbers, ongoing or even increased demand for high cost placements, particularly for adolescents, will put pressure on placements budget.
		Mitigating actions
		<ul style="list-style-type: none"> - Adolescent LAC project – supporting young people and families on the edge of care. - Ongoing development of early intervention and preventative services – will help us to identify families early and prevent needs escalating.
Children in need and child protection services	12	Impact <ul style="list-style-type: none"> - Risk that referrals to social care increase, putting added pressure on teams to deliver quality assessments and interventions. - Munro Review and Family Justice Review will require changes to existing practices and procedures. - Unannounced and planned Ofsted inspection expected this year.
		Mitigating actions
		<ul style="list-style-type: none"> - Piloting new flexibilities for Munro Review. - Ongoing development of early intervention and preventative services – will help us to identify families early and prevent needs escalating. - Implement service improvement plan and strengthen internal monitoring.
Re-organisation of school improvement services	12	Impact <ul style="list-style-type: none"> - Reduced capacity to support school improvement and intervene with schools causing concern. - Timing of tri-borough re-organisation could delay development of ongoing support to schools.
		Mitigating actions
		<ul style="list-style-type: none"> - New Westminster School Improvement Plan to be implemented. - Continue to work with RBKC and LBHF to develop tri-borough services.
School places	12	Impact <ul style="list-style-type: none"> - Risk that demand for school places increases without corresponding increase in capacity. - Changes to housing benefit could increase in year school admissions and increase pupil mobility at certain schools
		Mitigating actions
		<ul style="list-style-type: none"> - Development of additional school places. - Research potential impact of housing benefit changes to schools.
Changes to SEN duties	12	Impact <p>SEN Green paper could result in significant changes to the approach to SEN assessment, provision and SEN funding:</p> <ul style="list-style-type: none"> - Increased choice and personal budgets for parents will reduce LA control of spend on services such as speech and language therapy, occupational therapy and SEN transport. - Fewer children with behavioural difficulties may receive support through SEN statements, leading to pressure on other services and a possible increase in exclusions. - Statements being replaced by joint plans involving education, health and social care. Funding implications not clear. - SEN Tribunal being extended to take in health and social care could have financial implications for Children's Services.
		Mitigating actions
		<ul style="list-style-type: none"> - Co-ordinated response to proposals being prepared on behalf of local authority, schools, health providers and parents.

Adults and Community Services

Adults Social Care

Promote independence and provide effective reablement to enable people to continue to look after themselves:

- ✓ 327 individuals completed a reablement programme in 2010/11, with 63% not requiring any further care, and 35% requiring reduced care.
- ✗ Overall only 33% of new referrals of older and disabled people were accepted by the service; substantially lower than expected for 2010/11. Also, there is a high number of referrals have not been completed by the service, with 43% of people accepted by the service completing a programme.

CQC Review of people making first contact with social services:

- ✗ Overall Westminster was rated as 'Fair performing'. The Council scored 'excellent' in the number of attempts it took to make initial contact, but 'very poor' in the number of times callers were transferred. 'Weak' areas identified were monitoring the outcomes experienced by people sign-posted to other services or sources of help and advice.
 - We are developing plans to address areas of underperformance; findings are being addressed through the wider review of advice and information services and through customer services. Westminster LINK will undertake mystery shopping research; this will help assess customer experience with the service.

Personalisation, personal budgets:

- ✗ Plans to place service users supported at home onto personal budgets behind target for the year.
- ✗ 32% of people supported at home with care services who have substantial or critical needs are currently receipt of a personal budget.
 - Improvement targets set for the coming year to achieve 45% by October 2011 and 75% by March 2012. This will be closely tracked and monitored by the services.
- ✗ 17% of people supported at home received a personal budget and / or direct payment; this is below the national target of 30%, and is likely to be the lowest performance in Inner London (benchmarking results will be published nationally in the autumn).
 - The lower performance is partially explained by the implementation of the new eligibility threshold in Westminster during the year. A decision was taken not to put people with less than 'substantial' needs onto a personal budget, rather develop a programme for the review of these cases with a view to withdrawing services.
- ✓ Care management services are developing plans to prioritise reviews of people with substantial and critical needs supported at home, who are not yet on a personal budget. Increasing the proportion of this group who have been subjected to the Resource Allocation System is expected to assist with reducing overall expenditure of supporting people at home.

Reducing numbers of people supported with social care:

- ✓ Since 2009/10, there has been a 9% reduction in the rates of older people supported at home, a 10% reduction in the rate of people with a learning disability supported at home, and a slight increase in the rates of people with mental health needs of 9%.
 - This increase in the rates of people with mental health needs supported is primarily people who do not have social care packages but are on the Care Programme Approach (CPA) and receive professional support from a social worker.
 - Reductions in the rates of people supported at home are as a direct result of the implementation so far of the new eligibility threshold which has been in place since the start of February 2011.

Home care:

- ✓ Since 2009/10, there has been a 17% reduction in the number of people supported, and a 13% reduction in the monthly number of hours of home care. However, most of the reduction in hours was experienced right at the end of the year, following eligibility reviews and work reviewing and transferring cases from one provider to the new framework contract.

Residential care:

- ✗ There has been a downward trend in admissions of younger adults into residential care through in part the successful achievement of targets in the Learning Disability Housing Support Plan; however the rate of admissions for older people to residential and nursing home care already above average has increased from 72 to 74 per 10,000.

Safeguarding vulnerable adults:

- The previously reported trend showing increases in the rate of safeguarding alerts reported has begun to plateau and reductions have been experienced over the last year. Alerts have fallen from a peak of over 200 alerts received per quarter in April to June 2010, to 140 in the final quarter of the 2010/11, similar to numbers experienced in 2009/10.
- Over the last year the proportion of safeguarding alerts which require investigation and strategy meetings has remained stable at around 75%.

Implementing the new Eligibility threshold:

- January's Cabinet meeting agreed to raise the threshold from 'moderate' to 'substantial' for adult social services. There were approximately 3,000 individuals supported who required reassessment against the new threshold between February and September 2011.
- ✓ Work in reviewing all people currently supported who may have less than 'substantial' needs is proceeding on track, so far around 28% of cases have been reviewed, and care management services are on track to complete reviews within the agreed timescales.
- ✗ However, in year savings expected are £801k compared to the saving target of £1.405m.
 - Work is in hand to reprioritise cases for reassessment in order to help increase the savings likely to be released.
- A model is currently being developed based on reviews completed to date and changes in referrals accepted to estimate the likely overall reduction in number of people supported, and in particular reduced workload of care management services.

Social Care 3 borough project

- Detailed plans are being designed for approval around the development of an integrated commissioning function across the 3 boroughs linked to the NHS and also development of a cross borough social care and health provider linking care management and community nursing, reablement/rehabilitation. These will be included in the Cabinet paper for agreement in May 2011.
- Plans aim to appoint a Director of Adult Social Services across three boroughs in October 2011, a full commissioning team before the end of the year and integration with community health services.
- Plans are designed to reduce overhead and management costs by 35% by 2014/15.
- A draft commissioning structure has been developed and workshops during week commencing 16th May 2011 will refine this, identify numbers of posts required and associated costs. This will inform work on the development of a detailed business case to report to Cabinet in June.

Libraries & Culture:

Refurbishment programme for children's libraries, progress:

- **Maida Vale:** After discussions with the Cabinet member it was decided not to go ahead with the refurbishment and redecorate the children's area instead. The lift work has been completed and the redecoration will begin as soon as a response is received from the cabinet review on capital budgets.
- **Queens Park:** Refurbishment is currently in progress. Work began 18th April 2011. It was delayed because the original tender showed the costs to be higher than expected, so the specification had to be rewritten. The company chosen to do the work pulled out, so delaying the process.
- Final options have been agreed to secure a 30% reduction in the capital programme.
- Channel shift being effectively taken forward to improve customer experience and reduce transactional cost. Computer bookings are now in place. Customers can book a computer over the internet. Interactive voice response (IVR) is still being worked on by the corporate team. They are evaluating bids against tenders for IVR.

Westminster Libraries Health Information Project:

- 6 health events took place in libraries in February 2011 including a Healthy Heart Event at Church Street Library which attracted over 250 local residents. This event included a cooking demonstration, health checks and stress reduction exercises.
- The Libraries' Health Information Project was included in the familiarisation tour for library staff and included information about the aims of the project, future potential and key health partnerships.

Promote the services we offer and actively encourage people to join the Library:

- ✓ 2,744,450 visits to libraries 2010-2011 – up 3.9% on annual target and last year.
- ✓ Previous increases in active membership have flattened out 87,480 members 2010-2011 up 0.6% on last year and down 0.4% on annual target.

Online Services Co-ordinator:

- February 2011 continued the upward trend on the Books & the City blog. Increased views were due to a call for 'mail art' for an exhibition in Pimlico Library - this post alone received just over 1000 views in the month. The rest of the posts between them exceeded 1500 views, bringing the monthly total to 2707 page views (an average of 97 views per day) – from just 15 posts.
- In addition to the Mail Art call (a blog post asking readers to join in the exhibition), there were reports from book groups and events, reviews of online resources and special areas of stock, staff book recommendations and posts from the Archives Centre. By the year end @WCCLibraries account on Twitter had 760 followers, who clicked on links to our website more than 90 times during the month. Posts on Twitter alert followers to events, news and new posts on the Books & the City blog.

Libraries 3 borough project:

- If the business case is accepted, then it is planned to make rapid progress towards integration, with a target of a new single management team in place by September 2011, and an integrated service by March 2012. At that point, consideration will be given to alternative delivery models for the library service – Trust, Social Enterprise, Private Sector, Community ownership etc. Cabinet to consider business case in June.

Sports and Leisure:

Sports and Leisure Transformation programme:

- ✓ All planned milestones in 2010/11 have been achieved. Other aspects being progressed and accelerated where possible include the externalisation of Sayers Croft and the two remaining In-house managed Sports Centres. 41 FTE posts are being transferred to other organisations or are being made redundant. Eight staff have been made redundant as part of the Phase 5 and the associated savings will be realised.
- ✓ A meeting with GLL (Greenwich Leisure Limited) is being arranged regarding possible opportunities for GLL to partner the Sayers Croft Trust.

Sports and Leisure Facilities Contract Novation

- GLL (Greenwich Leisure Limited) took over the contracts for the management of the Council's six principal sports and leisure facilities on 1/4/11. GLL inherit all the existing contractual requirements and the financial model for the income generating contracts remains unchanged.
- The 'Added Value' opportunities of the contract novation include new funding for sports development initiatives, a number of agreed service improvements including online bookings and fast track entry for facility users are being progressed in addition to outsourcing the 2 in house sports centres.

Increasing participation in sport and physical activity across the borough:

- ✓ On the basis of information available to date, the total usage of the sports and leisure facilities for 2010-11 was 3,140,853 exceeding our target figure for the year. A significant percentage increase of 11.4% from the previous year (2,780,167).
- ✓ Champions of the Future Programme (CFP) - 47 young talented people benefitted from the 2010/11 programme which supports local young people to excel in sport and physical activity. Target was exceeded, an increase of 17 people from the previous year (30).

Redevelopment of Moberly:

- A specification for the proposed new sports and leisure facility is being progressed and a report will be presented to the Gate Review Board regarding a developer funded procurement strategy in May.

2012 Legacy Programme.

- An 'Inspire Mark' application is being submitted to London Organising Committee of the Olympic Games to accredit the Council's agreed 12 Olympic legacy programmes.

Awards

- ✓ **Local Government Communications Awards** - The ActiveWestminster Guide and Weekend programme has been shortlisted as a finalist for the LG Comms Awards. Winners will be announced shortly.

Adults and Community Services

Risks are defined as threats that could have an adverse affect or prevent key outcomes and business objectives from being met. Risks that are uncontrolled may become issues that impact on service delivery. All risks scoring above 12 (high impact/high probability) are shown below.

Risk	Risk score	Impact
Raised eligibility threshold	12	- Reductions in care and numbers of people qualifying for care management is short of projected numbers and adversely affects savings likely to be achieved
		Mitigating actions <ul style="list-style-type: none"> - Review progress in delivery of different proposals, identify specific risks where proposals are inter related. - Review the RAS and options for reducing level of personal budgets; - Explore options for further increase in eligibility threshold.
increased pressure on emergency response services (e.g.	12	Impact <ul style="list-style-type: none"> - Implications to safeguarding, Emergency Response Officers, etc though greater number of vulnerable adults experiencing crises.
		Mitigating actions <ul style="list-style-type: none"> - Monitor impact on emergency response services and address
Tri borough integration of commissioning and delivery units:	12	Impact <ul style="list-style-type: none"> - Risk of complexity of the provider integration, and more than one health provider with an interest in integration
		Mitigating actions <ul style="list-style-type: none"> - Prompt decision from members; high level commitment; effective programme management - Ensure due diligence and open process; strong leadership and communications
Risk to joint commissioning	12	Impact <ul style="list-style-type: none"> - Local GP consortia buy commissioning support from other than Inner North West London PCTs
		Mitigating actions <ul style="list-style-type: none"> - Use preparatory year to deliver effective support to GPCCs to increase chance of continuing commitment beyond 2013.
Failure to maintain/develop Sports and Leisure income streams.	12	Impact <ul style="list-style-type: none"> - Potential shortfall in budget and savings required elsewhere. Reduced scope/ breath of the service. Fall in resident/ user satisfaction.
		Mitigating actions <ul style="list-style-type: none"> - Closely monitor grant funding developments (e.g. Central Gov. Departmental funding) and influence/ mitigate where possible. - Comprehensive re-tendering process for the sports and leisure contract to increase value for the Council. - Implementation of the agreed sports and leisure transformation programme. - Implementation of marketing and operational strategies and plans to promote usage of sports and leisure provision. - Acceleration of the implementation of the agreed S&L transformation programme where at all possible during 2011/12.

3.2 Housing Services

Increase the supply of affordable homes:

- ✓ In total 943 affordable homes have been delivered since March 2008, exceeding the mayors target of 925.
- ✗ 142 families were moved from temporary to settled accommodation in 2010/11. This represents a marginal failure to achieve the actual target of 145 families moved from temporary to settled accommodation, mainly due to current market conditions and the shortfall of available larger properties.

Assist individuals to remain in their own homes in the private sector:

- ✓ It takes Westminster 11.2 weeks (target <16 weeks) to resolve the needs of persons needing major adaptations in the private sector housing, significant improvement on last year (21.87 weeks) due to the employment of two surveyors & an extra caseworker.

Prevent and Manage Homelessness:

- ✗ 1,726 households remain in temporary accommodation, a slight improvement on Quarter 3 (- 82 households). However we have not met our yearend target of 1,573. TA numbers and occupancy levels are closely monitored, profiled and assessed each month and the target figure for 2011/12 is to have less than 1,850 families living in TA. This remains a very challenging aspiration due to the economic climate and increasing homelessness.
- ✗ The Settled Homes programme has now completed. 142 completions took place by the end of 2010/11, just short of the maximum of 145 target set by Government.
- ✗ 422 households were prevented or relieved from becoming homeless in 2010/11 (+106, improvement on Qtr 3). 84% of our annual target (500) met.
- ✗ Homelessness activity has increased in 2010/11 and achieving preventions in the private sector is challenging in the current climate.
 - We will continue to innovate with new forms of supply being developed through Community Build and the Housing Renewal Estates programmes, although the bulk of this supply of accommodation will come on stream well beyond 2010/11.

Reducing overcrowding:

- ✓ This year we have achieved our target to assist 598 (target 450) households to relieve the pressures of overcrowding through afterschool clubs and re-housing.
- ✓ We are well on the way to achieving the target of re-housing 1,000 overcrowded households by 2013/14 with 635 achieved in the first two years of this project.

Supporting Vulnerable People to live independently:

- ✓ We provide support to 99% (target, 98%) of vulnerable people in Westminster to maintain independent living.
- ✓ We have assisted 80% (target, 73%) of vulnerable people in Westminster to achieve independent living.
- ✓ Our work with partners to improve and develop homeless hostel services across 5 providers (£4.25m contracts) for vulnerable adults by March 2011 is on track.
 - The Berwick Street hostel redevelopment is complete.
 - The Church Amy hostel redesign has been agreed and the new model will be in operation from April 2011.
 - The Castle Lane hostel refurbishment programme did not receive capital funding from Homes and Communities Agency and as the project was not fit for purpose and no immediate prospect of securing additional capital funding the decision was taken to decommission the service.
 - The Irish Centre Housing hostel and the Refugee Housing service were successfully decanted and decommissioned as supported housing services.
- ✓ The above activities contributed to delivering £2.4m of savings against the Supporting People budget.

Major Programmes and changes over the year within the Housing Sector:

Deliver on the Housing Renewal Estates:

- The various project stages for the regeneration schemes at Church Street, Tollgate, Brunel and Ebury Bridge and Westbourne Green have all been met and the schemes are ongoing. Voting by residents on their preferred option for Brunel has taken place in April and this will be reported in the 2011 Quarter 1 report.
- Community Build - Little Venice and Bourne Terrace Undercrofts have completed and the 10 units handed over to CityWest Homes in February 2011.

Announcement of HRA self-financing options:

- In February 2011, the Government confirmed self-financing would become a reality and later released details of the self-financing settlement. In preparation, the Council commissioned an analysis of the likely impact of national reforms for Westminster's HRA. Although the Council will be required to take on additional debt, it is likely that HRA reform will be beneficial for Westminster, except for a scenario where there is a significant reduction in the size of the Council's housing stock. Furthermore, a regime which enables the Council to plan its future investment programme with a higher degree of certainty regarding income to the HRA is welcome. The amount that is likely to be required to effectively buy the Council out of the national HRA subsidy system is £51m. This compares to the original figure of £15m in the previous government's exemplification. Although self-financing will be beneficial compared with remaining in the national subsidy system, the HRA will still be financially constrained in the short-medium term and this will still require that costs are minimalised in order to fund the future investment requirements of the stock and continue to deliver VFM.

Housing changes:

- The proposed changes to social housing i.e. greater freedom over housing allocations and discharge of homeless duty into the private rented sector is likely to mean the Council's housing demand profile will change over time and there will be more flexibility to determine locally who is eligible for social housing. Discharge of duty into the private rented sector will however depend on the availability of suitable properties. Although it is still unclear how the local market will respond to the Local Housing Allowance caps, introduced in April 11, there may be less private rented sector accommodation for households in receipt of benefits in the City which would mean Westminster would need to discharge its duty out of the City.

Welfare benefit/housing benefit changes:

- Estimates indicate the Local Housing Allowance caps will result in an increase of homelessness acceptances in Westminster at least in the short term as only one rent in the two Broad Rental Market Areas covering Westminster are within the caps. The total welfare benefit cap being introduced in 2013 of £500 per week for a non working couple or family is likely to mean fewer larger non working households will be able to live in private rented sector housing in Westminster, given the high rents in the City.

Affordable Rent:

- The challenges facing Westminster on the affordable rent model are balancing the need to utilise the model to generate new supply of affordable housing while keeping rents at a level which are affordable to both working and non working households. The model links affordable rent levels to the market, but the proposed welfare benefit cap of £500 per week for non working families will restrict the rent levels which can be charged on larger units.

3.2.1 Housing Services Risks

Risks are defined as threats that could have an adverse affect or prevent key outcomes and business objectives from being met. Risks that are uncontrolled may become issues that impact on service delivery. All risks scoring above 12 (high impact/high probability) are shown below.

Risk	Risk score	Impact
Rise in level of Homelessness presentations	18	Increased TA pressures.
		Mitigating actions <ul style="list-style-type: none"> - Regular monitoring at Housing Board and TA Steering Group. - Develop alternative prevention strategies and Maximise new housing supply.
Cuts in public spending and Local Housing Allowances (LHA) Caps	18	Impact <p>Reduced capacity to deliver key services:</p> <ul style="list-style-type: none"> - Affordable Housing - Supporting people - Temporary Accommodation Subsidy reduced. - Housing Benefits levels reduced - Regeneration funding cut <p>The Government's Emergency Budget in June announced changes to Housing Benefit which could have a significant impact in Westminster. These changes seek to impose national caps on the level of housing benefits through capping private sector LHA (LHA's) by bed size. This change is likely to affect our homelessness budgets due to:</p> <ul style="list-style-type: none"> - Loss of private sector homelessness prevention properties. - Fall out of existing TA contracts. - Higher homelessness preventions from households falling out from private sector.
		Mitigating actions <ul style="list-style-type: none"> - Investigating alternative funding streams. - New innovative supply routes. - Modelling has been undertaken of the impact of these changes on the levels of TA to be procured, the changes in the current TA portfolio and market and the type and location of TA in the future.
Renewal Schemes refused planning permission	12	Impact <ul style="list-style-type: none"> - Fewer re-housings. - Effect on plans to reduce overcrowding. - Reputational Risk. - Effect on Resident satisfaction.
		Mitigating actions <ul style="list-style-type: none"> - Bring in specialist planning advisers to maximise units, improve success and appeals. - Working closely with Planning in advance of final schemes being brought forward.
Residents decide against renewal proposals	12	Impact <ul style="list-style-type: none"> - Fewer re-housings - Effect on plans to reduce overcrowding - Reputational Risk
		Mitigating actions <ul style="list-style-type: none"> - Ensuring proposals meet residents and Council's expectations. - Consultation on renewal strategy - Drop in sessions on estates - Steering Group - Residents having majority say in deciding successful master plan - Robust communications plan - Work with key stakeholders e.g. members to ensure full support

Effects of Housing Benefit changes	12	Impact
		<ul style="list-style-type: none"> - Increased void levels - Mis-match between supply and demand - Increased cost to Council - Increased Homelessness
		Mitigating actions
		<ul style="list-style-type: none"> - Audit of Temporary Accommodation property portfolio - Temporary Accommodation Voids Group meet monthly
Failure to meet TA budget and Government TA target	12	Impact
		TA Budget overspend
		Mitigating actions
		<ul style="list-style-type: none"> - Prevention-centred advice regime incl. - Qualifying offers with Private Sector Landlords - Standing order on TA Steering Group agenda
HRA Review	12	Impact
		<ul style="list-style-type: none"> - HRA Review - possible changes to current favourable proposals by new Government - HRA viability and sustainability in question
		Mitigating actions
		<ul style="list-style-type: none"> - Closely monitoring capital investment and spend and maximising opportunities for income generation - LGA & London Councils lobbying in favour of change. - Fundamental Service Review being carried out on HRA.

3.3 Resources and Customer Services

Procurement & Supplier Relationship Management

Achieve £20m contract savings:

- × Procurement has recorded £16.7m of the £20m procurement related savings target.
 - The challenge is very much dependent upon the various business units within Westminster delivering their own target/forecast numbers. If savings numbers are related to procurement activity e.g. contract re-lets, supplier sourcing etc then Procurement & SRM will assist the relevant Business Unit. Given the impact of the CSR, future savings targets need to be aligned to planned commissioning activity.
 - Central Procurement, in particular Group SRM's Parking/Waste, People Services, Vertex/CSI, Parking, Highways/Roads & Group Procurement are developing relationships with and working alongside Business Partners to determine where resources can best be utilised to identify spend areas where potential procurement savings can be achieved in 2011/12.

Increase the number of contracts on the contracts register:

- × 472 (target, 550) open contracts above £10k are recorded and managed on the P&SRM contracts register as at the end of Quarter 4, 2010/2011; as stated previously the number of contracts on the contracts register can fluctuate greatly throughout the year; the downward adjustment is predominately influenced by the number of contracts coming to the end of their lifetime, whilst upward adjustment is very much based on the number of negotiated new contracts coming on board.
- Consequent to this there is a fall (target, >80%) in the recorded Open contract expenditure as measured against the councils total influenceable expenditure; the figure is now 51%.
 - P&SRM are currently reviewing spend data principally to determine where contract gaps exist, particularly in relation to high spend suppliers i.e. where high spend suppliers are identified and it is determined that no current contract exists with this supplier, dialogue with relevant Business Unit Managers will follow to gain a better understanding of the supplier situation and how best to move forward.
 - Ongoing communication with NAOs to ensure they keep contracts register up-to-date
 - Having suppliers under contract and recorded on the contracts database will undoubtedly allow for better supplier management, both in terms of visibility, transparency, spend and supplier consolidation in addition to facilitating improved cross borough collaboration.

Procurement & Supplier Relationship Management team efficiency:

- ✓ 78.1% (target, 78.1%) of the total Procurement budget is spent on the running costs (salaries) for the service.

SMART Purchasing & Payment project update:

- No Purchase Order/No Pay policy came into effect from all third party supplier payments (with some exemptions) dated after 1 January 2011.
- A letter was sent, signed off by the Strategic Director of Finance and the Strategic Director of Resources, to all third party suppliers informing them of the new policy and that full compliance was required from Jan 1, 2011.
- Additionally an internal memorandum was issued to all staff; since October 2010, the managers' fortnightly update includes 3 separate bulletins outlining the new No PO/No Pay policy and the date when it would come into effect.
- It is too early yet to determine what the level of non compliance will be with any accuracy but progress is being monitored on a weekly basis.

Human Resources

- From April 2010 to March 2011 there was an average of 5.87 working days per employee lost through sickness absence. This represents the lowest number of working days lost per employee ever recorded by WCC.
- The number of working days per employee in 2009/10 was 6.63 and 7.16 in 2008/09.
- To date we have an average of 282 FTE agency staff (the target being no more than 300). There are 2,356 FTE permanent staff and from April 2010 to March 2011 there have been 199 starters, with 369 leavers including redundancies (252 excluding redundancies).

Information Services

- ✓ End User Computing (EUC) is now in the completion stage with 95% of WCC staff deployed and work is ongoing to bring our outsourced service providers into the new service. The project remains on track and savings are being delivered and will be sustained through the Vertex contract extension.
- ✓ Infrastructure free is now past 60%, mainly due to conclusion of EUC infrastructure deployment.
- ✓ The community computers scheme has now helped 61 charities across Westminster by providing them with more than 400 free computers and the wider Westminster In-Touch programme won the 2010 national real IT award for corporate social and environmental responsibility in recognition of its achievements.
- ✓ 71% of users satisfied with IT helpdesk service, up from 53% 6 months ago.

Customer Services

The Customer Services Initiative contract extension was agreed on the 30 March 2011 with Vertex Data Science (Vertex) for a further two year period from November 2012 to November 2014. The contract with Vertex was awarded in November 2002, on the basis of 10 years with an option to extend for up to 5 years. The extension will bring savings benefits to the City Council of £9M and further cost reduction opportunities in the region of £2.5M. The services being extended are customer service delivery, information communication technology and banking operations. The human resources, facilities management, procurement and transport functions will expire from the contract in November 2012 and be re-procured.

- Approximately 1.024m customers have contacted the council (through Vertex), during the financial year to date, approximately 83,000 less than the same period last year.
- ✓ 8.79% (approx 650,000) of customer contacts received by Vertex over 2010/11 were deemed avoidable against a target of <17%.
- ✓ Year to date customer satisfaction results; 86% of customers were satisfied with the way their queries were handled by the council, up 1% on Quarter 3.
- ✓ 93.26% of all calls were answered within 10 seconds this year. The overall PSL1 emergency telephone calls were answered to agreed service levels. Non emergency calls (PSL3) answering times are currently within service level with 81.9% of calls answered within 30 seconds.
- ✓ The One Stop Service (OSS) average waiting time levels were within target with an average of 5.52 minutes, an improvement from the previous financial year.

Corporate Complaints

- For 2010/11 we have received 1,549 complaints (-146 less than last year) across all three stages. An overall reduction of 9% on to the previous year.
- The total number of Stage 3 complaints for 2010/11 continues to fall and there has been a 5% reduction in complaint totals when compared with the previous year. As at March 2011, we received 65 stage 3 complaints, 10 less than last year.
 - A short analysis of Stage 3 complaints for 2010/11 has been undertaken and no significant service failures have been discovered during stage 3 investigations.
- Total number of Stage 1 complaints received for Adults Services in 2010/11 was 69, up 25 (36%) on 44 complaints received in 2009/10.
 - The increase is due to the transition from one Home Care provider (H21) to a new provider, and changes to the criteria of FACS (Fair Access to Care Services) which has led to the reassessment of users and the withdrawal of services for people on low or moderate needs in some cases.
- Total number of Stage 1 complaints received for Children's Services in 2010/11 was 34, decrease of 24 (41%) on 58 complaints received in 2009/10.

Property Services

Investment Portfolio

- ✓ Rent: as at 31 March 2011 has increased to £20.5 million (£11 million 24 months ago). This is a near doubling of income in 24 months.
- ✓ Vacant premises: A new record low of just 1.24% of units this compares with a London average of 9.8%.
- There are now 402 lettable units with a passing rent of £1000 or more of which 7 are empty and being marketed.

Energy Consumption

- The overall electricity and gas usage for all Westminster properties (with the exception of schools and street lighting) has generally increased by more than 2% against the previous financial year 2009/10.
 - For 2010/11, we have seen a continuous increase in electricity usage compared to the previous year.
 - Gas usage for the first two quarters of 2010/11 was below levels recorded in the same periods last year. However this was overshadowed by the bad winter weather in November (Quarter 3). And resulted in a 16% increase in gas use against the same period last year.
 - Overall, Corporate Property consumption for electricity was 2.37% and gas was 2.64%.
- Since 2009/10 there has been a slight increase of 2.31% in the carbon emissions from Corporate Properties.

3.3.1 Resources and Customer Services Risks

Risks are defined as threats that could have an adverse affect or prevent key outcomes and business objectives from being met. Risks that are uncontrolled may become issues that impact on service delivery. All risks scoring above 12 (high impact/high probability) are shown below.

Risk	Risk score	Impact
No Corporate Ownership and Governance for CRM at WCC	16	There is no single corporate owner of defined governance that manages CRM from a strategic business point of view and drive through the strategy across the council, from usage, adoption, cost of ownership and development.
		<p>Mitigating actions</p> <p>Customer Programme Board should be the strategic owner and governing body for the CRM. The Customer Technology Board should be tasked, if resourced to do so, to manage delivery and development to drive the adoption and usage of CRM across the council.</p>
Highways Contract re-let – insufficient resource	15	<p>Impact</p> <p>Un-budgeted resource requirement to deliver project in the region of £300k.</p>
		<p>Mitigating actions</p> <p>Negotiations with contractors are ongoing.</p>
To achieve in year HR savings targets	15	<p>Impact</p> <p>Risk of failing to inform BIS and to consult with Trade Unions in accordance with legislative requirements for future change programmes. If these are managed separately and HR is not aware of total potential redundancies. Failure to deliver expected savings because of timescales required by BIS.</p>
		<p>Mitigating actions</p> <p>To date all consultation with staff representatives and BIS have been managed on behalf of the council directly by the Director of Human Resources and his team. This has ensured that all elements of the process have remained in line with both WCC agreed policies and the statutory requirements of UK employment Law.</p> <p>To ensure financial savings are delivered in time regular information is supplied to SEB outlining the timescales required for each element of “Transition”. This ensures that decisions by SEB are informed and take account of the necessary timescales required within the current legislation for the dismissal of staff by reason of redundancy.</p>

3.4 City Management

The coming year will be challenging given the planned budget reductions and revised operational commitments. City Management has begun the vital work to put processes in place to ensure that impacts are understood ahead of delivery and that mitigations can be effectively measured. It is clear that the key performance challenges for next year will be to maintain resident satisfaction as the service offer changes.

Public Realm, Waste and Street Cleansing:

- ✓ Street Standard – Independent on-street surveys carried continue to show excellent outcomes against the Westminster street standard.
- ✗ 2% of land and highways have been assessed as having deposits of litter, flyposting and graffiti below an acceptable level (against Litter target of 3%, Flyposting target of 1% and Graffiti target of 1%).
- ✓ 3% of land and highways have been assessed as having deposits of detritus below an acceptable level (target, 5%).
- We received 5,630 (target, less than 6,000) cleansing and waste complaints, up 430 on last quarter.
- We have carried out 29million residential wastes collections. Of which 10 (target, less than 30) per 100,000 commercial and residential waste collections missed.
- ✗ Total commercial waste income (£8.5m) is around £2.9m below profile (target, £11.14m) at year end.
- ✓ We have disposed over 180,000 tonnes (target of 180,000 met) of commercial waste and recycled over 24,000 tonnes (target of 24,000 met) of waste this year.

Parking enforcement:

- ✓ Compliance levels in the City are good with 98% of motorists parking in compliance with local parking rules.
- ✗ PCN income (includes: on-street, CCTV and Smart car enforcement) is likely to be more than £8m below profile at year end.
- ✗ The total on street parking income variance is around £6.9m below profile at year end
- ✓ Performance and budget lines for other key areas are above profile (suspensions, permits, motorcycle).
- ✓ Resident satisfaction with parking services up 1% (to 51%) on previous year.

Parks, Open Spaces & Cemeteries:

- There are no predicted issues in this area for the end of year.
- ✓ Resident satisfaction with parks and open spaces up 1% (to 90%) on previous year.
- ✓ To date, 21 green flags have been awarded to our parks and open spaces.

Premises Management:

- ✓ Category 1 hazards (Housing Health & Safety Rating System) were removed from 665 units of accommodation, exceeding the annual target of 230.
- ✓ 520 units (target of 330 exceeded) of accommodation have been made decent this year.
- ✓ 58 houses (target of 60 exceeded) in multiple occupation improved this year.

Street Management:

- ✓ During 2010/11, 2,564 Fixed Penalty Notices were issued to utility companies for failure to complete works on time, 232 more than Quarter 3.
- ✓ Total Permitting income was £692k, approximately £6k above target (686k), at year end.

- ✓ Total Highways Licensing income was 964k, approximately £168k above target (£796k), at year end.
- ✓ 15,488 highway maintenance jobs have been carried out during FY2010/11, 504 more than last year.
- ✓ Refuse collection and street sweeping have a significant impact on how satisfied residents feel with the local area as a place to live. Satisfaction with these services currently stands at 87% and 88% respectively.

Community Safety:

- Overall, crime in Westminster remained relatively static in 2010/11 as it has for the last three-years. 63,367 crimes were committed in the 12-months to December 2010, down from 63,848 on the previous 12-months.
- There have been notable reductions over the last three years in Burglary (down 12%), and Criminal Damage (down 10%). However, there have been significant increases in Drugs offences (up 13%) and Robbery offences (up 4%).
- Notable increase in Robbery offences, up 12% on last year compared to the same period last year. This is reflective of the trend across London with Robbery up 14% to start the year.
- The vast majority of offences committed in Westminster relate to theft and handling offences such as shoplifting and pick pocketing (see below). Theft and handling offences made up 59% of offences in 2010/11, compared to 51% in Kensington & Chelsea and just 44% in Hammersmith & Fulham.

3.4.1 City Management Risks

Risks are defined as threats that could have an adverse affect or prevent key outcomes and business objectives from being met. Risks that are uncontrolled may become issues that impact on service delivery.

No risks scoring above 12 (high impact/high probability) reported for service at year end.

3.5 Built Environment

A final decision on the decentralisation of planning fees is imminent, Government has already agreed in principal to this approach. The next phase of this work will be for CLG to agree fee structuring framework and Local Authorities will be expected to implement new fee structures by mid October 2011. The result of this consultation and decision by the Government will have implications for the resourcing of activities in 2011/12 and beyond.

City Planning

All major City Planning policy activities and documents are on track or have been delivered.

- ✓ The Core Strategy has been adopted and this will set out how development will be managed over the next 20 years.
- ✓ Leicester Square and Piccadilly development projects on track to be completed within agreed timescales.
- ✓ Parking policy review is underway.
- ✓ Licensing Policy has been delivered.

Development Planning

- ✓ We continue to process and determine all types (major, minor and other) of planning applications in a timely manner.
- ✓ We received 11,104 planning applications in 2010/11, +500 on 2009/10
- ✓ 80% (target, 80%) of applications have been determined within statutory time limits.
- ✓ Resident satisfaction with planning services increased by 3% from 51% in 2010.

Highways and Lighting Maintenance

- ✓ We continue to respond to over 95% of highway and lighting faults deemed to represent a danger or serious inconvenience to the public.
- We completed 12,218 highway Priority 1 + 2 jobs (compared to 10,726 last year) and 988 (compared to 1,248) public lighting Priority 1 jobs in 2010/11.
- Sample inspection failures of all inspections within 30% target.
- For 2010/11, the average public lighting asset outages was 2.35% (target, less than 4%).
- ✓ Resident satisfaction ratings for road and pavement maintenance up six and five points respectively to 75% since 2010.

3.5.1 Built Environment Risks

Risks are defined as threats that could have an adverse affect or prevent key outcomes and business objectives from being met. Risks that are uncontrolled may become issues that impact on service delivery.

No risks scoring above 12 (high impact/high probability) reported for service at year end.

Glossary of Terms

Term	Glossary
Capital programme	Capital spending is expenditure on any new build, improvements to existing properties, land purchases, and any additional expenditure on fixed assets.
Capital receipts	The money received from selling fixed assets (such as land, buildings, vehicles, plant & equipment).
Capitalisation	The addition to the balance sheet as an asset of an amount that could otherwise have been treated as expenditure.
Child protection plan	Assesses the likelihood of the child suffering harm and looks at ways that the child can be protected.
Civil Contingency Planning	The council's actions and responsibilities for dealing with a broad range of major incidents.
Core Assessment	A core assessment generally follows an initial assessment and says more about why a child needs help and what can be done to keep them safe and healthy. It takes longer and is more detailed than an initial assessment.
Core Strategy	The Core Strategy sets out the vision for the physical City of Westminster up to and beyond 2025, and puts in place a policy framework to deliver that vision.
CSR	The Government's Comprehensive Spending Review.
Debtor days	The time taken to receive payment from our debtors.
General Fund	Where all our revenue income and expenditure is accounted excluding other specific grants and funds.
Initial Assessment	This is a brief assessment carried out by Social Services to determine whether a child is in need, or there are concerns of Significant Harm.
LABGI income	The Local Authority Business Growth Incentives (LABGI) scheme gives local authorities a financial incentive to encourage local business growth by rewarding qualifying business growth with a non-ringfenced grant.
Looked after Children	Children become looked after when their birth parents are unable to provide ongoing care in either a temporary or permanent capacity. Children can either be looked after as a result of voluntary agreement by their parents or as the result of a care order.
Reablement	Reablement is a service for people who needs help getting back to independent living after a period of illness, or the onset of a disability.
Reserves	The council's liquid cash reserves.