

ANNUAL GOVERNANCE STATEMENT 2014/15

Scope of responsibility

Croydon Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. Croydon Council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

In discharging this overall responsibility, Croydon Council is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, and which includes arrangements for the management of risk.

Croydon Council has approved and adopted a code of corporate governance, which is consistent with the principles of the CIPFA/SOLACE Framework *Delivering Good Governance in Local Government*. A copy of the authority's code can be obtained from our website or from governance@croydon.gov.uk. This statement explains how Croydon Council has complied with the code and also meets the requirements of Accounts and Audit (England) Regulations 2011, regulation 4(3), which requires all relevant bodies to prepare and approve an annual governance statement.

The purpose of the governance framework

The governance framework comprises the systems and processes, culture and values by which the Council is directed and controlled and its activities through which it accounts to, engages with and leads its communities. It enables the authority to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate services and value for money.

The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Council's policies, aims and objectives, to evaluate the likelihood and potential impact of those risks being realised, and to manage them efficiently, effectively and economically.

The governance framework has been in place at Croydon Council for the year ended 31 March 2015 and up to the date of approval of the annual report and statement of accounts.

The governance framework

- “Croydon’s Community Strategy 2010-15” is the overarching strategy of the Local Strategic Partnership, including the Council, in support of delivery of the borough’s ambitious 30 year vision, “We are Croydon”. The Community Strategy is supported by the Council’s corporate plan and service plans for each department and team. These are reviewed and updated annually. In addition, the Council has its own Vision and Corporate Values statement developed after extensive consultation amongst staff ensuring effective management of change and transformation.
- The Council’s Constitution sets out how decisions are made and the procedures that are followed to ensure open and transparent policy and decision making that complies with established policies, procedures, laws and regulations and is accountable to local people. The Council’s policy and decision making is through the Cabinet process, other than non executive matters and the Policy framework, which is set by full Council. These meetings are open to the public, except where personal or confidential matters are being discussed. In addition, the Chief Executive and senior officers make decisions under their relevant Scheme of Authorisations. The Council publishes a Forward Plan that details the key decisions to be made by the Leader Cabinet, Cabinet Committees or officers in relation to executive matters.
- The Council has designated the Council Solicitor, Director of Legal & Democratic Services as the Monitoring Officer, who shall, after consulting with the Head of Paid Service and Chief Finance Officer, report to the Full Council, or the Leader in relation to an executive function, if they consider that any proposal, decision or omission would give rise to unlawfulness or if any decision or omission would give rise to unlawful action. The Monitoring Officer also conducts investigations into matters referred by the Ethics Committee and make reports and recommendations in respect of them to the Ethics Committee.
- The financial management of the Council is conducted in accordance with the Financial Regulations set out in the Constitution (4H). The Council has designated the Assistant Chief Executive (Corporate Resources & S151 Officer) as the Chief Financial Officer in accordance with Section 151 of the Local Government Act 1972. The Council has in place a three year financial strategy that is updated annually supporting the Council’s strategic objectives. The financial strategy ensures the economical, effective and efficient use of resources including a financial management process for reporting the Council’s financial standing.
- The Council’s financial management arrangements conform to the requirements of the CIPFA statement on the role of the Chief Financial Officer in Local Government (2010).
- The Council maintains an effective Internal Audit service that has operated, in accordance with the Public Sector Internal Audit Standards, the authority’s

assurance arrangements conforming with the governance requirements of the *CIPFA Statement on the Role of the Head of Internal Audit* (2010). As required by the Accounts and Audit (England) Regulations the Assistant Chief Executive (Corporate Resources & S151 Officer) has reviewed the effectiveness of the Internal Audit service and reported this to the General Purposes & Audit Committee which has concluded that the Internal Audit service is satisfactory and fit for purpose. This undertaking is part of the core functions of the General Purposes & Audit Committee, as set out in CIPFA's *Audit Committees: Practical Guidance for Local Authorities* and applied in the Council.

- Croydon Council has adopted strategies, policies and practices that are consistent with the principles of the CIPFA/SOLACE Framework *Good Governance in Local Government*.
- The Council has a performance planning process supplemented by detailed business planning to establish, monitor and communicate Croydon Council's objectives. This includes a performance management system that sets key targets and reports performance quarterly to Cabinet. The performance management framework is utilized to measure the quality of services for users, ensuring they are delivered in accordance with the authority's objectives and that they represent the best use of resources and value for money.
- The Council has a robust risk management process to identify, assess and manage the significant business risks to the Council's objectives including those of its key strategic partnerships. The risk management process includes a risk management policy statement, corporate and departmental risk registers, risk management steering group, and appropriate staff training. The Cabinet Member for Finance & Treasury champions risk management which is at the heart of the Council's decision making, with each Cabinet Member having access to the risks relating to their portfolio. Key corporate risks are regularly reviewed by the Divisional and Departmental Management Teams and by the General Purposes & Audit Committee.
- The Council has adopted codes of conduct for its staff and its Members, including co-opted members. These are introduced to all staff as they are inducted into the organisation and they are given their own copies. Members and co-opted members sign an undertaking to abide by their Code of Conduct at the point of their election or appointment. These Codes are available for reference at all times and reminders and training are provided as necessary.
- To ensure that concerns or complaints from the public can be raised, the Council has adopted a formal complaints policy which sets out how complaints can be made, what should be expected and how to appeal. In addition, the Council has adopted a fraud hotline.
- A whistle-blowing policy has been adopted to enable staff, partners and contractors to raise concerns of crime or maladministration confidentially. This has been designed to enable referrals to be made without fear of being identified. In addition, the Council has adopted a whistle blowing hotline supported by a third

sector partner. These arrangements are part of ensuring effective counter-fraud and anti-corruption arrangements are developed and maintained in the Council.

- The Council's control framework extends to partnerships and other joint working and this is reflected in the Council's overall governance arrangements.
- Many of the Council's services are delivered in partnership with commercial organisations. Where this is the case, the Council ensures that proper governance is maintained by closely following procurement procedures when letting contracts and then robustly monitoring them. Increasingly, Council services are delivered in partnership with other local public sector organisations. The most significant arrangements are grouped under the umbrella of the Local Strategic Partnership (LSP) which is lead by a board made up of relevant Chief Executives. Each of the themes within the LSP is overseen by its own board.
- The Strategic Partnership seeks to address community engagement by, amongst other methods, involving representatives from themed partnerships, cabinet road shows, business development partnerships and the community voluntary sector alliance. The Local Strategic Partnership hosts a congress for key stakeholders from community, voluntary, business and public sector which contribute to and influence strategy and policy of the local area. The thematic partnerships undertake a range of consultation exercises to enable all residents and customers to contribute to and shape the strategic themed plans such as the crime reduction strategy or children's plan. Cabinet road show meetings across the Borough afford the community an opportunity to meet and interrogate decision makers in the Borough on diverse issues including health, crime, transport and environmental issues. In addition, the Council undertakes surveys with a representative sample of its residents who provide the Council with reliable feedback on important issues that help improve services as part of establishing clear channels of communication with all sections of the community and other stakeholders, ensuring accountability and encouraging open consultation.
- Members' induction training is undertaken after each local government election. In addition, an on-going programme of training and awareness is available for Members with formal and informal events each year, including all major changes in legislation and governance issues.
- A corporate induction programme, 'Inspire', is delivered to all new staff joining the Council, supplemented by department specific elements. In addition, further developmental needs are identified through the Council's Appraisal Scheme. The Council's Human Resources service delivers its own suite of courses covering core personal competencies. Other training solutions are provided as required. The Council has also developed a Management Development Programme to improve leadership and management competencies across the organisation. In addition, a programme titled 'Doing the Right Thing' is run to strengthen the governance processes and procedures of the Council.

Review of effectiveness

Croydon Council has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of the executive managers within the authority who have responsibility for the development and maintenance of the governance environment, the Head of Internal Audit's annual report, and also by comments made by the external auditors and other review agencies and inspectorates.

This review process includes:

- The Monitoring Officer's annual review of the constitution to ensure its aims and principles are given full effect. This includes a review of the financial regulations by the Assistant Chief Executive (Corporate Resources & S151 Officer).
- The Scrutiny and Strategic Overview Committee's ability to "call in" the Council's key decisions prior to implementation to consider the appropriateness of the decision.
- The General Purposes & Audit Committee's responsibility for discharging the functions of an audit committee, including reviewing the risk management process, the performance of Internal Audit and agreeing the external audit plan.
- Internal audit's responsibility for monitoring the quality and effectiveness of internal controls. Using the Council's risk registers and an audit needs assessment, a strategic plan and programme are developed. The outcome of the internal audit risk-based work is reported to all relevant Executive Directors and Directors and regularly to the General Purposes & Audit Committee. Implementation of recommendations is monitored and progress reported. The work of the Internal Audit function is reviewed regularly by the external auditors who place reliance on the work completed. The Assistant Chief Executive (Corporate Resources & S151 Officer) has reviewed the effectiveness of the Internal Audit service and reported this to the General Purposes & Audit Committee which has concluded that the Internal Audit service is satisfactory and fit for purpose.
- The assurance provided by Members and the assurance of senior managers through the Council's Executive Leadership Team in developing departmental and corporate risk registers and agreeing annual departmental assurance statements.
- The opinion of the external auditors in their reports and annual letter.
- Other review agencies, through their inspection arrangements, such as the Care Quality Commission and Ofsted.

The Council has been advised on the implications of the result of the review of the effectiveness of the governance framework and system of internal control by the General Purposes & Audit Committee and that the arrangements continue to be regarded as fit for purpose in accordance with the governance framework. The areas already addressed and those to be specifically addressed with new actions planned

are outlined below.

General Purposes and Audit Committee 24th June 2015 Item 8
Table 1

Based on the review the following key risks have been identified:

Key Risks	Action	Responsible Officer	Responsible Cabinet Member
<p>1. 68% of the schools audited during 2014/15 were given a limited assurance (15 'limited' out of 22 schools audited). Significant recommendations raised as a result of these audits related primarily to compliance with procurement requirements</p>	<p>The Council's Governance team is offering preparation for audit visits to schools to explain good practice and audit expectations. Several visits have now been conducted where invited by schools. It is hoped that the effect of these will be reflected in audit results during the coming year. In addition, at the request of the General Purposes & Audit Committee, Members of the Council who are also school governors have been requested to ensure that audit reports are discussed at governors meetings so that implementation of recommendations can be monitored. Training is also offered periodically to School Business Managers and governors by Octavo and the Council's Governance team as well as other providers.</p> <p>Key risks and awareness raising for governors was an agenda item at the autumn term Director's meeting with Chairs of Governors.</p>	<p>Executive Director People</p>	<p>Cabinet Member for Children, Families and Learners</p>

<p>2. Several internal audits made recommendations to address lack of compliance with the Council's Contracts & Tenders Regulations. These included contract formalities and the retention and availability of key documents.</p>	<p>The main issues relate to contract management and a lack of a consistent approach across all areas of the Council and compliance with good practice. In 2015/16 the Council is implementing the contract management transformation programme. This will introduce a new systematic approach to contract management embedding a new commercial focus and professionalising the service. It will also provide new tools and systems to support better contract compliance and ensure retention and availability of contracts documents.</p> <ul style="list-style-type: none"> • Governance changes have been implemented for the Education and Public Realm Delivery Programmes clearly identifying the responsible Director and ensuring reporting processes capture the right information and decisions are made in the correct and a timely manner. Revised programme boards have Directors engaged in more detailed management decisions including procurement governance and contract / project management. The transfer of the client role to managers with extensive experience of capital and area based regeneration delivery has resulted in more robust accountability for change, finance and delivery issues. Programme Boards include regular Procurement forward plan and contract management items to provide additional exposure to these issues; programme boards have procurement and finance officers in 	<p>Chief Executive & Executive Director of Resources</p>	<p>Cabinet Member for Finance & Treasury</p>
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	<p>attendance.</p> <ul style="list-style-type: none"> • Changes to staffing structures will embed capital delivery more firmly within the mainstream operational practices of the organisation; the Capital Delivery Hub (CDH) will be restructured; historic service practices will be reviewed and a standardised approach to procurement and contract management will be rolled out. • An Audit single point of contact has been appointed in the department to ensure that audit responses are more effectively managed and co-ordinated and that priority is given to providing information in a timely manner. 		
<p>3. The current economic conditions, lack of supply of private and public sector rented accommodation, changes to housing benefit and welfare reform continue to increase the rate of homelessness and demand for social housing. As a result, the Council continues to need costly emergency and temporary</p>	<p>Homelessness continues to increase in response to structural economic factors and an increasingly unaffordable housing market in London and the South East of England.</p> <p>Homeless acceptances increased by 118 (15%) in 2014/15 and the use of temporary accommodation by 14% in 2014/15. The most common cause of homelessness is the loss of a private rented tenancy (up 31% on previous year). Acceptances are projected to increase by 60 per year over the next five years and the use of temporary accommodation by 300 households per year.</p>	<p>Executive Director of People</p>	<p>Deputy Leader (Statutory) – Homes and Regeneration</p>

<p>accommodation during 14/15</p>	<p>Recent judgments in the Supreme Court concerning local authorities' assessment of vulnerability, use of temporary accommodation out of borough and decisions concerning intentional homelessness are also expected to place additional demands on the use of temporary accommodation, and add a substantial layer of complexity on assessing the suitability of temporary accommodation.</p> <p>Despite this challenging outlook, a number of projects and plans are underway which provide a positive response. In terms of overall housing supply the majority of the 2014/15 Council new builds (30) will become available in 15/16, as will the expected increase in housing association new build from the end of the 2011/15 affordable homes programme (minus those owed to sub-regional partners via the nominations agreement). Also Croydon's 5 Year Housing Delivery Plan aiming to deliver 9,500 starts on site between 2013 & 2018 will start to have an effect.</p> <p>A new plan to reduce the Council's use of temporary accommodation will commence which will include a thoroughgoing review of cases currently in temporary accommodation, amendments to the housing allocations scheme, and a review of current arrangements to procure temporary accommodation.</p>		
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	In addition Housing Needs and Gateway Services are progressing with pilot projects aimed at preventing homelessness through early intervention, engaging people already placed in emergency accommodation. Further areas for developing prevention initiatives include family mediation and landlord negotiation. The target for 2015/16 is to prevent homelessness for 65 households.		
4. The Council continues to face significant reductions in its grant funding over the period 2015/18	The deficit recovery programme is expected to continue over this period and the council is expecting to see a further £50m reduction in grant funding. The Croydon Challenge programme and the benefits the programme delivers will be critical to the council's financial strategy. The approach will continue to focus on the medium term (3 years) to ensure there is a clear strategy to delivering a balanced budget. The target is to present proposals to Scrutiny and Overview Committee in December 2015.	Assistant Chief Executive (Corporate Resources & S151 Officer)	Cabinet Member for Finance & Treasury
5. The Care Act introduces the biggest changes to adult social care since the Community Care Act in 1990 and introduces new wide sweeping duties on local authorities further developing in 14/15.	Care Act implementation plans are reviewed monthly by the Care Act Work stream Board. This has ensured phase 1 of implementation was achieved and is now actively working towards 2016. Regular reports are delivered for Executive Leadership Team in respect of the regulations and guidelines and implementation progress. The funding arrangements of the Dilnot	Executive Director of People	Cabinet Member for People and Communities

	<p>recommendations (in April 2016) including the funding cap of £72k per person are still to be confirmed and this may bring about the risk of greater litigation and potentially Judicial Reviews. The ability to accurately forecast costs when there are so many variables, including behavioral change increases the level of financial risk.</p> <p>Scenario planning of future costs from April 2016 are now being produced. This is based on a new Dept of Health model with Croydon being part of the test group of 35 Local Authorities, with the aim being to validate the new model. Assuming that there are no changes to the national implementation schedule, funding will be allocated in December 2015. The intention of the Department of Health remains that funding will be made available to ensure these significant new burdens do not fall upon local authorities.</p>		
<p>6. Further development and embedding of improvement in children's social care in the context of the plan to improve services from a low base over the medium term, the growth</p>	<p>The service continues to show evidence of improvement in terms of the majority of national and local indicators. However, there are areas of concern, such as the Assessment Service, where performance still needs to improve. This is related to the significant rise in the number of assessments coming into the service through demand growth. The Croydon Challenge project</p>	<p>Executive Director of People</p>	<p>Cabinet Member for Children, Families and Learners</p>

<p>of demand due to the increases in the population and the growth in deprivation, and the difficulty in recruiting permanent social workers, at a time of severe restraint on resources</p>	<p>on Children in Need, is designed to address these issues by designing new services at the higher end of Early Help. Recruitment and retention has improved but the level of caseloads on social workers continues to put this improvement at a level of risk. Numbers of local Children Looked After have reduced in the past year. Levels of children on Child Protection plans have remained largely the same. The implementation of systemic training to promote relationship based practice is designed to improve the quality of interventions. Audit activity has increased in the past year to give increased information about consistency of quality.</p>		
<p>7. There is an on-going risk that the scale of redevelopment anticipated in the borough over the next five years, (including Transport for London capital investment, schools development, public realm improvements plus specific projects such as the Whitgift redevelopment etc.), could have an adverse</p>	<p>The Council has invested in a sophisticated tool in the form of the Five Year Integrated Delivery Plan which will help the Council manage the scheduling of developments and projects so as to minimise the impact on businesses and residents. The tool enables the Council to plan interventions with partners and stakeholders to ensure that the borough can continue to operate even during peaks of construction. The tool will be used by the MIDAS group (Management of Investment Delivery and Scheduling) a partnership group managed by the Council and involving key partners including Transport for London (TfL) to intelligently</p>	<p>Executive Director of Place</p>	<p>Deputy Leader (Statutory) – Homes and Regeneration Cabinet Member for Transport and Environment</p>

<p>impact on the borough's highways and transport infrastructure, and existing business base, particularly within the metropolitan centre</p>	<p>schedule highways and transport infrastructure works to manage negative impacts.</p> <p>The Council will continue to work with partners to manage joined up communications relating to the works delivery and scheduling.</p>		
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We propose over the coming year to take steps to address the above matters to further enhance our governance arrangements. The Cabinet will also be identifying new ways of addressing the above matters. We are satisfied that these steps will address the need for improvements that were identified in our review of effectiveness and will monitor their implementation and operation as part of our next annual review.

Table 2 Issues raised in 2013/14 Statement and progress to date

Key Risks	Action	Progress	Responsible Officer & Cabinet Member
<p>1.The Council faces significant reductions in its grant funding over the period 2015/18 presenting the authority with challenging targets</p>	<p>The Cabinet on 10th February and Council on 24th February approved detailed proposals for the financial year 2014/15 in support of the Council's Financial Strategy 2013/17. This included agreed £18 M efficiencies and £2.5 M cuts as well as £1.1M in new income generating activities in respect of the 14/15 financial year to start to address these challenges. Given the change in local government funding to a more incentivised model, focus on economic and housing growth are a key priority to drive new house building and business recovery. For the period 2015/18 there is an estimated £100 million budget gap. The new Cabinet is now focused on rebuilding the Council from the bottom up, driving performance, being clear about the priorities for the Council, addressing technology and service integration/transformation, making the most of the Council's assets, developing alternative service delivery models, developing opportunities for growth.</p>	<p>The 2014/15 budget was overspent by just under £1m. The budget was under significant pressure throughout the year from demand on services within the People department. The 2015/16 budget was agreed by Council alongside a new Financial Strategy. The Croydon Challenge transformation programme and the savings that come from the programme are critical to the delivery of the 2015/16 budget</p>	<p>Assistant Chief Executive (Corporate Resources & S151 Officer)and Cabinet Member for Finance & Treasury</p>

<p>2. Scale, and speed, of business transformation required to bring about improvement of children's social care, and pace of change in Improving quality of children's social care to 'good' as measured by future OFSTED inspection.</p>	<p>Continuing trend and pace of improvement within Children's Social Care through 2013/14. The Multi Agency Safeguarding Hub has been successfully implemented and is strengthening social care front door arrangements. A recruitment campaign has been mounted to recruit permanent social workers and reduce the dependency on interim resource and associated cost pressures: which has produced some good results but continued efforts will be required, notably staffing at the front line in child protection work continuing to need attention. There is a programme of constant improvements in social work processes within the Council. The Children's Recording System has been implemented and further development work will continue through 2014-16. Significant improvements in data quality have been achieved and performance information is now being produced weekly and monthly to support operational and strategic service management. Additional capacity for critical service areas has been put in place.</p>	<p>The service has continued to improve in the past two years but this was from a low base and national experience is that only 23% of local authorities have achieved a rating of 'good'. In Croydon caseloads in some areas remain high. The level of improvement will require sustained evidence to achieve a rating of 'Good' via OFSTED. Although with the help of continuing self assessment, this is the aim for this year.</p>	<p>Executive Director of People and Cabinet Member for Children, Families and Learners</p>
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<p>3. Continuing increase in the rate of homelessness and demand for social housing in 13/14 following changes to Welfare Benefit cap, under-occupancy adjustment (bedroom limit), Universal Credit and Direct Payments.</p>	<p>Croydon was one of the four London boroughs within the first phase roll out for welfare reform changes. Various groups were set up to address these challenges and some continue as business as usual. In the first instance a corporate homelessness task group was initiated at the end of 2012 and a weekly management meeting continues to look at the 6 week placements and upcoming supply.</p> <p>At a strategic level, welfare reform governance remains in place at a corporate and departmental level supported by operational working groups as well as forward looking development groups on challenges such as universal credit, local support services framework and digital inclusion.</p> <p>At an operational level, a multiagency Welfare Reform Team, including partners from Job Centre Plus, Housing Benefit, welfare benefits and the council's housing teams together with a range of partners from the third sector continues to respond to the implementation of welfare reform and the planning for the longer terms impacts of further changes such as universal credit and Disability Living Allowance moving to Personal Independence Payments.</p> <p>Discretionary Housing Payments were reviewed in 2013/14 and tailored to ensure that support for the most vulnerable is prioritised.</p>	<p>Homelessness continues to increase, particularly in London, in response to structural economic factors and an increasingly difficult to afford housing market.</p> <p>The Housing Welfare Reform Team has effectively insulated the Council's statutory homelessness service from the impact of welfare reform (less than 1% of households impacted became homeless under the Housing Act 1996.).</p> <p>Measures in place to increase the supply of temporary accommodation (TA) have been effective in stemming the flow of demand for TA. During 2014/15 the Council also secured leases on Concorde and</p>	<p>Executive Director of People and Deputy Leader (Statutory) – Homes and Regeneration</p>
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	<p>The council has taken some innovative measures to address homelessness including buying street properties for use as temporary accommodation and new initiatives have been agreed to ensure that the council maintains its competitive footing in the lettings market, including a new guaranteed rent scheme and the re-launch of other private rented sector schemes and bonds.</p> <p>South West London housing working groups will continue to meet to ensure that local authorities are working together to tackle housing need across boroughs.</p> <p>A number of larger development projects are due to come on stream in 2014/15 providing a significant number of additional units. Approximately 40 Council new builds are due to be delivered during 2014/15, Croydon's 5 Year Housing Delivery Plan aims for 9,500 starts on site between 2013 & 2018 and delivery plans have been developed for pipeline sites. The target for starts in 2013/14 was 1171 and this target was exceeded with 1620 starts.</p> <p>The new Cabinet will look at a number of new initiatives to address the homelessness and housing supply issues faced by this borough, using its powers and influence to do so.</p> <p>We will be once again throughout 14/15 be looking to improve on our processes improving the customer</p>	<p>Sycamore Houses (approx. new 200 units of TA) which will provide opportunity to rethink the way the Council assesses homelessness and uses TA in 2015/16 as part of a new TA Reduction Plan.</p> <p>By the end of 2014/15 9 Council New Build Properties had been completed and 130 new housing association properties completed and the remaining expected properties will become available in 2015/16 (minus those owed to SW London Housing Partnership authorities under the nominations agreement).</p> <p>Agreement to make further investment in the Real Lettings Property Fund (agreed in</p>	
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	<p>journey, to find innovative ways to attract landlords and raise standards in the private rented sector through the introduction of a licensing scheme for private landlords.</p>	<p>2014/15) will also contribute to reducing the use of TA by providing opportunities to discharge the homelessness duty.</p>	
<p>4. The Care Act introduces the biggest changes to adult social care since the Community Care Act in 1990 and introduces new wide sweeping duties on local authorities.</p>	<p>Croydon responded to two Department of Health consultations in 2013; one considering the future 'paying for care' arrangements and also the 'National eligibility criteria for adult care and support'. Future draft regulations and guidelines are to be produced for consultation and these will be responded to.</p> <p>A Departmental away day was held in November 2013 to examine the proposed changes within the legislation in detail. An action plan has been developed setting out activities planned to determine the impacts and implications of the measures within the Care Act. The action plan will be reviewed and revised as further information becomes available. A gap analysis has been carried out and scenario planning is taking place to further inform planning and preparation.</p> <p>Croydon is working with residential, nursing and domiciliary care providers in the borough, briefing them on the anticipated implications of the Care Act</p>	<p>Funding for 2015/16 was confirmed in December 2014 to cover implementation cost of phase one of the Care Act. In addition ring fenced funding from within the Better Care Fund of £845,000 was also agreed for the year.</p> <p>The initial risk of whether Croydon could implement in line with national expectations in April 2015 has now passed and relevant services were successfully implemented. However,</p>	<p>Executive Director People and Cabinet Member for People and Communities</p>

	<p>as well seeking information from them – relating to the numbers of “self-funders” to whom they provide services to assist with modelling of future costs.</p> <p>Croydon is also working with external groups and organisations, such as the Local Government Association (LGA) and the Association of Directors of Adult Social Services (ADASS) to assist with the planning and implementation of the Act. In addition the council is participating with other local authorities and Local Government Futures as part of the development of a revised national funding allocation formula which will be used to allocate funds from 2016/17. The Department of Health state that the reforms will be funded in full. Funds to assist with implementation have been provided for in 2014/15 and 2015/16 (which includes monies within the Better Care Fund for that year).</p> <p>A ‘Head of Care Act Implementation’ has been appointed and a Care Act Programme Board has been established, meeting on a monthly basis to steer the programme of work and monitor progress against delivery of the action plan.</p>	<p>the ‘Dilnot’ changes due to come into effect in April 2016 are still to be ratified by the Department of Health and the council will then have to assess the resources allocated to do so (see table 1, risk no. 5)</p>	
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<p>5. There is a risk that the delivery of the large number of public realm improvements (including Transport for London capital investment, schools development etc) planned over the coming 18 months will have an adverse impact on the borough's highways and transport infrastructure, especially within the town centre.</p>	<p>Action so far has included the management of the programmes of works through the Investment Delivery & Scheduling (MIDAS) Group which regularly reviews and plans to minimise disruption. In addition plans are challenged and reviewed by Places (now Growth) Board, Connected Croydon Board and tributary boards by a senior client and there has been a review of the impact of Connected Croydon upon Parking and Highways services.</p> <p>Work has also commenced on the development of five-year management plan for the development of the town centre to co-ordinate public and private investment in infrastructure and development, minimising any adverse impacts on the Croydon economy and communicating the plan and the benefits of investment effectively to key stakeholders. This includes development of a town centre traffic management strategy and new Town Centre Management Board comprising suppliers and stakeholders to plan and co-ordinate activity and chaired by the CE for Croydon Council.</p> <p>The Council has also commenced work on the development of a Growth Plan for the OAPF area to meet its ambitious targets for delivery of new homes and resurgence as a major regional retail and commercial centre. Governance and organisational structures will also be reviewed to ensure effective support and delivery of the plan and this is to be further strengthened through the development of a</p>	<p>The Five Year Integrated Delivery Plan tool is now operational and is being used by the MIDAS group and others to manage scheduling.</p> <p>The Growth Plan for the borough has been completed and creation and delivery of Place Plans falling from this document are in train.</p> <p>Recruitment to the Director Development and Head of Programme Assurance were successful; a review of governance has been undertaken and a programme approach to delivery implemented</p>	<p>Executive Director of Place and Deputy Leader (Statutory) – Homes and Regeneration</p> <p>Cabinet Member for Transport and Environment</p>
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	<p>programme approach to delivery and the appointment of a new director and programme assurance role. The Growth Plan together with the forthcoming Liveability Plan will ensure a joined up and strategic approach to the delivery of regeneration projects and programmes and essential operational and environmental services.</p>		
<p>6. There are a significant number of supported housing schemes (including those specializing in complex needs) operating within the borough with increasing additional numbers of tenants now deemed 'Ordinarily Resident' in Croydon, with the authority funding, their eligible social care needs creating significant service and financial pressures. In addition levels of Housing Benefit paid to claimants with care and support needs living in private sector supported housing may be reduced due to clarification of the DWP rules regarding "Exempt Accommodation".</p>	<p>The Council has sought legal advice regarding the DWP rules on 'exempt accommodation' and is developing a planned response to tackle the issue, taking all legal advice into account.</p> <p>A strategy has been developed to reduce reliance on private sector landlords in the provision of supported housing and additional housing options will be identified for people with care and support needs.</p> <p>A protocol has been developed to ensure that managers and practitioners respond consistently to new referrals on the issue of 'ordinary residence' and an assessment of financial responsibility for the Council is effectively determined for every case.</p> <p>The council is working with supported living providers in the borough on how best to address these issues and is also exploring ways of improving management of the market to minimise the occurrence of such cases in the future.</p>	<p>In late March 2015 the Dept of Health issued new transitional guidance clarifying how Local Authorities should deal with 'Ordinarily Resident' referrals. This effectively mitigates this risk in relation to any new cases from April 2015 as part of the Care Act implementation.</p> <p>A dedicated 'Ordinarily Resident' Project team was set up in 14/15 (including colleagues in Legal and Care Management) to work</p>	<p>Executive Director of People and Cabinet Member for People and Communities</p>

	<p>The Council will be examining the opportunities for holding tenants' original home local authority responsible where possible.</p>	<p>through referrals received made up to 31 March 2015 to reallocate responsibilities where appropriate.</p> <p>Further growth funding for 15/16 has been allocated to deal with any referrals that are Croydon's responsibility.</p> <p>Improved market management of providers is being implemented through the Croydon Challenge.</p>	
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<p>7. Over 50% of the schools audited during 2013/14 were given a limited or no assurance (11 'limited' and 3 'No' out of 25 schools). Significant recommendations raised as a result of these audits related primarily to the recruitment processes and checks and compliance with procurement requirements</p>	<p>The Local Authority has issued guidance to schools regarding the requirement, emphasising the need to ensure DBS checks for all governors. The message is reinforced through governor training and compliance is checked through the annual safeguarding audit of schools conducted during the autumn term each year. If checks are found not have been carried out this is followed up by the Improvement Adviser for Safeguarding and Multi-Agency Liaison. No Croydon schools have given cause for concern to OFSTED regarding DBS checks during inspections when this aspect is checked as part of the inspection when checking compliance of a school's Single Central Register. Croydon's expectations exceed national expectations. Schools have been reminded of the need to adhere to procurement procedures or to have full governing body approval recorded in the school's finance policy if they seek to deviate from the standard process.</p>	<p>See further update for 14/15 in Table 1(Item 1)</p>	<p>Executive Director People and Cabinet Member for Children, Families and Learners</p>
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Nathan Elvery
Chief Executive

Tony Newman
Leader of the Council