



**CABINET
AGENDA**
for the meeting
on
21 March 2022 at
6.30 pm

To: Croydon Cabinet Members:

Councillor Hamida Ali, Leader of the Council
Councillor Stuart King, Deputy Leader (Statutory) and Cabinet Member for Croydon Renewal
Councillor Muhammad Ali, Cabinet Member for Sustainable Croydon
Councillor Janet Campbell, Cabinet Member for Families, Health & Social Care
Councillor Alisa Flemming, Cabinet Member for Children, Young People & Learning
Councillor Patricia Hay-Justice, Cabinet Member for Homes
Councillor Oliver Lewis, Cabinet Member for Culture & Regeneration
Councillor Manju Shahul-Hameed, Cabinet Member for Communities, Safety and Business Recovery
Councillor Callton Young OBE, Cabinet Member for Resources & Financial Governance

Invited participants: All other Members of the Council

A meeting of the **CABINET** which you are hereby summoned to attend, will be held on **Monday, 21 March 2022 at 6.30 pm** in **Council Chamber, Town Hall, Katharine Street, Croydon CR0 1NX**

Katherine Kerswell
London Borough of Croydon
Bernard Weatherill House
8 Mint Walk, Croydon CR0 1EA

Democratic Services
democratic.services@croydon.gov.uk
www.croydon.gov.uk/meetings
11 March 2022

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AGENDA – PART A

1. **Apologies for Absence**

2. **Disclosure of Interests**

Members and co-opted Members of the Council are reminded that, in accordance with the Council's Code of Conduct and the statutory provisions of the Localism Act, they are required to consider **in advance of each meeting** whether they have a disclosable pecuniary interest (DPI), an other registrable interest (ORI) or a non-registrable interest (NRI) in relation to any matter on the agenda. If advice is needed, Members should contact the Monitoring Officer **in good time before the meeting**.

If any Member or co-opted Member of the Council identifies a DPI or ORI which they have not already registered on the Council's register of interests or which requires updating, they should complete the disclosure form which can be obtained from Democratic Services at any time, copies of which will be available at the meeting for return to the Monitoring Officer.

Members and co-opted Members are required to disclose any DPIs and ORIs at the meeting.

- Where the matter relates to a DPI they may not participate in any discussion or vote on the matter and must not stay in the meeting unless granted a dispensation.
- Where the matter relates to an ORI they may not vote on the matter unless granted a dispensation.
- Where a Member or co-opted Member has an NRI which directly relates to their financial interest or wellbeing, or that of a relative or close associate, they must disclose the interest at the meeting, may not take part in any discussion or vote on the matter and must not stay in the meeting unless granted a dispensation. Where a matter affects the NRI of a Member or co-opted Member, section 9 of Appendix B of the Code of Conduct sets out the test which must be applied by the Member to decide whether disclosure is required.

The Chair will invite Members to make their disclosure orally at the commencement of Agenda item 3, to be recorded in the minutes.

3. **Urgent Business (If any)**

To receive notice of any business not on the agenda which in the opinion of the Chair, by reason of special circumstances, be considered as a matter of urgency.

4. **Borough of Culture (Pages 9 - 24)**

Cabinet Member: Cabinet Member for Culture & Regeneration,
Councillor Oliver Lewis

Officer: Interim Corporate Director Sustainable Communities, Regeneration and Economic Recovery, Sarah Hayward
Key decision: No

5. Housing Improvement Plan (Pages 25 - 56)

Cabinet Member: Cabinet Member for Homes, Councillor Patricia Hay-Justice
Officer: Interim Corporate Director Housing, David Padfield
Key decision: Yes

6. HRA Business Plan

Cabinet Member: Cabinet Member for Homes, Councillor Patricia Hay-Justice
Officer: Interim Corporate Director Housing, David Padfield
Key decision: Yes

7. Equality Strategy Annual Report (Pages 57 - 126)

Cabinet Member: Cabinet Member for Communities, Safety and Business Recovery, Councillor Manju Shahul-Hameed
Officer: Director of Policy, Programmes and Performance, Gavin Handford
Key decision: No

8. Period 10 Financial Performance Report (Pages 127 - 152)

Cabinet Member: Cabinet Member for Resources and Financial Governance, Councillor Callton Young
Officer: Corporate Director Resources (S151 Officer), Jane West
Key decision: No

9. Fairfield Halls - RIPI Action Plan (Pages 153 - 178)

Cabinet Member: Leader of the Council, Councillor Hamida Ali
Officer: Chief Executive of the Council, Katherine Kerswell
Key decision: No

10. Report in the Public Interest October 2020 (Pages 179 - 316)

Cabinet Member: Leader of the Council, Councillor Hamida Ali
Officer: Corporate Director Resources (Section 151 Officer), Jane West
Key decision: No

11. Second Quarterly update on progress of performance by Brick by Brick Ltd

Cabinet Member: Leader of the Council, Councillor Hamida Ali
Officer: Corporate Director of Resources (Section 151 Officer), Jane West

Key decision: No

12. Croydon Renewal and Improvement Plan - Performance Reporting & Framework Measures (Pages 317 - 380)

Cabinet Member: Leader of the Council, Councillor Hamida Ali
Officer: Director of Policy, Programmes & Performance, Gavin Handford
Key decision: No

13. Investing in our Borough (Pages 381 - 396)

Cabinet Member: Cabinet Member Resources & Financial Governance, Councillor Callton Young
Officer: Director of Commercial Investment, Peter Mitchell
Key decision: No

a) **Residual Waste Treatment Contract (Pages 397 - 410)**

Cabinet Member: Cabinet Member for Sustainable Croydon, Councillor Mohammad Ali
Officer: Acting Corporate Director of Sustainable Communities, Regeneration & Economic Recovery, Sarah Hayward
Key decision: Yes

b) **Children with Disabilities - Care Provider Register (Pages 411 - 428)**

Cabinet Member: Cabinet Member Children, Young People and Learning, Councillor Alisa Flemming
Officer: Corporate Director, Children, Young People & Education, Debbie Jones
Key decision: Yes

c) **Asset Disposals (Pages 429 - 450)**

Cabinet Member: Deputy Leader and Cabinet Member Croydon Renewal, Councillor Stuart King
Officer: Corporate Director Resources (S151 Officer), Jane West
Key decision: Yes

d) **Housing Acquisitions (Pages 451 - 470)**

Cabinet Member: Cabinet Member for Homes, Councillor Patricia Hay Justice
Officer: Interim Corporate Director Housing, David Padfield
Key decision: Yes

14. Exclusion of the Press and Public

The following motion is to be moved and seconded where it is proposed to exclude the press and public from the remainder of a meeting:

“That, under Section 100A(4) of the Local Government Act, 1972, the press and public be excluded from the meeting for the following items of business on the grounds that it involves the likely disclosure of exempt information falling within those paragraphs indicated in Part 1 of Schedule 12A of the Local Government Act 1972, as amended.”

PART B AGENDA

15. Children with Disabilities- Care Provider Register (Pages 471 - 478)

Cabinet Member: Cabinet Member Children, Young People and Learning, Councillor Alisa Flemming

Officer: Corporate Director, Children, Young People & Education, Debbie Jones

Key decision: Yes

16. Asset Disposals (Pages 479 - 508)

Cabinet Member: Deputy Leader and Cabinet Member Croydon Renewal, Councillor Stuart King

Officer: Corporate Director Resources (S151 Officer), Jane West

Key decision: Yes

REPORT TO:	CABINET 21st March 2022
SUBJECT:	London Borough of Culture 2023
LEAD OFFICER:	<p>Sarah Hayward, Acting Corporate Director – Sustainable Communities, Regeneration and Economic Recovery</p> <p>Kristian Aspinall, Interim Director - Culture & Community Safety</p>
CABINET MEMBER:	Councillor Oliver Lewis, Cabinet Member for Culture & Regeneration
WARDS:	All
<p>COUNCIL PRIORITIES 2020-2024</p> <p>We will live within our means, balance the books and provide value for money for our residents.</p> <p>We will focus on tackling ingrained inequality and poverty in the borough. We will follow the evidence to tackle the underlying causes of inequality and hardship, like structural racism, environmental injustice and economic injustice.</p> <p>Our vision and goals for Croydon’s Cultural sector are outlined in our cultural strategy, “Croydon Creates” 2019-2023. Our proposals for the London Borough of Culture are aligned to this strategy.</p>	
<p>FINANCIAL IMPACT</p> <p>Croydon’s London Borough of Culture is a unique opportunity to drive economic growth and recovery for our borough following the pandemic. It will leverage in significant amounts of external funding for local businesses and the creative and hospitality industry over the course of 23/24. This will create jobs and business opportunities across the borough and is a key element of our recovery plan for Croydon.</p> <p>Croydon’s London Borough of Culture is to be funded through a combination of council expenditure, GLA grants and fundraising. We have committed £522,500 of council funding in 22/23 and are planning a further £452,500 in 23/24 subject to approval. We will receive £1,350,000 of grant funding from the GLA to deliver the programme. We have further fund raising targets and grant applications to increase this budget, but have designed the programme to scale rather than expose the council to financial risk should we not achieve all our fundraising goals, an approach supported by the GLA. Borough of Culture will deliver considerable economic and regeneration effects to Croydon, and one of our explicit goals is to work with businesses to make Croydon a destination venue for all of London during the year.</p>	
<p>FORWARD PLAN KEY DECISION REFERENCE NO.: No</p>	

The Leader of the Council has delegated to the Cabinet the power to make the decisions set out in the recommendations below

1. DRAFT RECOMMENDATIONS

- 1.1 Endorse the programme outline for London Borough of Culture 2023
- 1.2 The Cabinet is recommended to Agree to the establishment of a Borough of Culture Executive Board and Steering Group the membership and responsibilities of which are outlined in paragraph 5 of this report to enable the delivery of the London Borough of Culture
- 1.3 Subject to agreeing recommendation 1.2 delegate authority to the Corporate Director of Sustainable Communities Regeneration and Economic Recovery in consultation with the relevant Member or Members of the Executive carrying portfolio responsibilities which cover those currently performed by the Cabinet Member for Culture and Regeneration to agree the final membership, constitution and Terms of Reference of both the Executive Board and Steering Group.
- 1.4 Agree that regular reports will be provided to the Executive on the work of the Executive Board and Steering Group.

2. EXECUTIVE SUMMARY

- 2.1 London Borough of Culture is a once in a lifetime event that will put Croydon on the national stage for culture and arts. It will support our local creative industries, bring in large amounts of external funding, drive footfall and tourism across our borough, create jobs and skills for residents, and provide a unique series of events for residents to enjoy and participate in. It will put Croydon on the map for the whole of London and South England as a tourist destination and place to visit, and will form an essential part of how we support our town centres and businesses to rebuild and grow after the pandemic. As a centrepiece of our plans, we will showcase the diversity of our many communities and cultures that represent the very best aspects of Croydon.
- 2.2 London Borough of Culture (LBoC) is a year long celebration of culture, heritage and arts in a London Borough selected by the Mayor of London. Croydon won the opportunity to be the London Borough of Culture 2023, and the programme will run from April 2023 to March 2024.
- 2.3 London Borough of Culture is unique opportunity to show Croydon's rich, diverse cultural activity. From home grown artists to major events that will draw people from across the capital, LBoC will provide a year long festival for all of Croydon and beyond. Croydon's Borough of Culture will demonstrate and build on Croydon's successful cultural legacy, and also bring major festivals from across London to Croydon. It will make Croydon a destination venue for everyone in London and the South-East, and showcase Croydon's vital role in the UK's national cultural scene.

- 2.4 In particular, our programme reflects the diversity of Croydon's many communities and neighbourhoods. We have built equality and fairness into the heart of our proposals. We have targeted funds for key groups such as LGBTQ+, the global majority, young people and other groups (See 4.5). Equally, our main flagships and other projects all have equality and fairness as key requirement in their delivery, and we are committed to making our programme accessible to all and a showcase for the many different communities that make their home in Croydon.
- 2.5 Global Majority is a collective term that first and foremost speaks to and encourages those so-called to think of themselves as belonging to the global majority. It refers to people who are Black, Asian, Brown, dual-heritage, indigenous to the global south, and or have been racialised as 'ethnic minorities'.
- 2.5 Our programme will show Croydon's many cultural hubs and iconic venues to the rest of London. From Fairfield Halls to the London Road business district, and major locations all across the borough, we will celebrate the incredible breadth of culture and hospitality that Croydon has to offer. It will also build on Croydon's role as one of the capital's first Creative Enterprise Zones (CEZ) – creating a legacy of creative investment and delivery in the borough.
- 2.6 Over the last 18 months since winning the bid, we have been working to develop a program that both reflects the incredible range of cultural activities Croydon has to offer and is realistically deliverable in light of the challenges of both Covid-19 and Croydon' Councils financial circumstances. Our proposed program is financially sound and based on realistic funding targets that does not create significant risk to Croydon.
- 2.7 In recognition of the impact of the Covid-19 pandemic, Croydon's London Borough of Culture will start three months later than originally planned, beginning in April 2023 and running to March 2024.
- 2.8 London Borough of Culture will help Croydon businesses and our culture sector recover from the last two years of the global pandemic. The culture and entertainment sector has been one of the hardest hit by Covid-19, and LBoC will help our businesses and town centres recover across the borough by driving culture-led inward investment and regeneration. A successful London Borough of Culture will support many small and medium businesses that have suffered due to the pandemic, and be an essential part of that recovery. It is a uniquely timed event to support business and the creative and cultural industries and drive economic growth by bringing people to Croydon and helping increase footfall and consumers in town centres across the borough. This will also directly aid our hospitality sector that was also hit hard by Covid, with demand for rooms and entertainment increasing as people travel to Croydon.
- 2.9 We are in discussions with the GLA on how London Borough of Culture can support our night time economy, helping all businesses open 6 till-late inline with the Croydon Evening and Night-time Economy Plan. As we prepare and develop the programme further we will be working with businesses across all of Croydon to ensure the LoC is a strong driver of growth in the borough.

2.10 This report outlines the proposed progress and programme to date, and asks for cabinet endorsement of our approach. We must emphasise that this report is a highlight of the main events, and that there will be many more activities and events planned over the next 12 months in the lead up to LBoC and that as we develop the program further, some of these events may change.

3. BACKGROUND

3.1 Croydon bid for the London Borough of Culture to both deliver a unique programme of arts and heritage, and to build long term, sustainable system change in the borough. Our bid focussed on delivering a world class series of events and long term improvements in Croydon through culture. We set ourselves 5 key goals for our programme

- *A Fairer Society* – making sure our programme reflected all of Croydon’s diversity, and that everyone in Croydon could participate and benefit from it
- *Supporting Young People* – ensuring that young people were centre stage of our events and were part of developing the programme. Creating jobs and skills for young people to be supported in careers in Croydon’s creative and cultural industries
- *Active Communities & Citizens* – putting Croydon’s vibrant and diverse communities at the heart of our work, getting as many people involved as possible
- *A Greener Cultural Sector* – building long term sustainability and the climate change agenda into the culture sector and
- *Healthier Communities* – using culture to improve the health and wellbeing of our residents

3.2 Since our initial bid, and recognising the impact of the last 18 months, we have refocused our programme on a grass roots led, community driven celebration of culture that makes the most of Croydon’s uniqueness and heritage, whilst remaining true to the five goals above.

3.3 We have increased the proportion of our programme which is focussed on providing grants to individual artist and small organisations, to deliver unique moments across 2023 in all areas of our borough.

3.4 Equally, we are committed to delivering big flagship events on areas that resonate the most with Croydon. We will showcase the very best of Croydon to London and the rest of the UK, bringing people from all over the capitol and the wider south of England.

3.5 At the same time, we aim to bring London and international events to Croydon, embedding Croydon as a destination centre for arts and culture in London and the wider south-east of England,.

3.6 This revised programme represents the very best of what Croydon has to offer, and we look forward to developing it more over the next 12 months until the new start date in March 2023.

4. PROPOSED PROGRAMME

- 4.1 Our program is divided into three main areas: Flagship events, the Ignite Fund, and Sector development.
- 4.2 **Flagship Events** are our “wow moments” – the big events that will mark Croydon’s Borough of Culture as a success across London. We are still developing and finalising these, and the list in the appendix is subject to change.
- 4.3 Additionally, through the Ignite fund we will provide up to a further 10 flagship events that will be spread across the Borough. Part of the requirements for these events is that they deliver activities in all parts of Croydon to ensure that all areas of the borough can be part of the London Borough of Culture and that we deliver activities outside of the traditional Croydon Town Centre.
- 4.3 This is not an exhaustive list, and in particular we are working to further build on Croydon’s rich musical heritage and history with a free concert for young people and young artists in October 2023.
- 4.4 Croydon has many community festivals that place across the borough outside of the Covid period. We want to work with those organisers to develop their proposals so they meet the criteria for funding for the London Borough of Culture programme, turning them into showcases of Croydon’s culture and diversity that draws visitors from across London.
- 4.4 **The Ignite Fund** is our way of making LBoC accessible to artists and creative enterprise of all sizes. The fund is broken into two main areas:
- 4.5 *Sector Development Grants* are targeted at specific communities and priority groups. We are proposing they are led by established cultural venues and organisations in the borough with a strong history of working with these groups:

Priority Group	Proposed Lead Organisation
Black / global majority artists	Talawa
d/Deaf and disabled	Savvy
LGBTQ+	Stanley Arts
Young People	CMA & Culture Hubs
Heritage	John Whitgift Foundation
Music Industry.	CEZ / Croydon Music City

- 4.6 *Project grants* are a funding stream for artist and culture sector organisations big and small, with a range of options for each size of project:
- Small projects, with 100 grants of up to £1000 (average £750)
 - Medium projects, with 15 grants of up to £10,000 (average £5000)
 - Large projects, with 10 grants of up to £50,000 (average £25,000)
- 4.7 The Ignite fund will be opened in summer 2022 for bids from the community.

Grants will be approved by the Executive board, following recommendations from the Creative Lead and Steering Group.

4.8 The third element of our programme is the **Culture Hubs** strand. This aims to deliver on our original five key objectives, and establish long lasting culture hubs as centres of quality, sustained culture activity across Croydon. We currently have identified three Culture hubs based at:

- Stanley Arts
- Fairfield Halls
- Turf Projects

We plan to establish more across 2023, including in the south of the borough to ensure all of Croydon benefits from this programme. Culture Hubs work will include targeted programmes for each of our five original goals outlined in 3.1, including jobs and training opportunities for young people and young adults, building our volunteer programme for London Borough of Culture and developing our social prescribing offer.

4.9 Croydon has been identified by Arts Council England as a Priority Place for culture development, reflecting a lack of investment and engagement in the borough historically. This gives us access to further funding and opportunity for LBoC, and the ability to build on the year long programme to embed its legacy across Croydon.

5. GOVERNANCE

- 5.1 We have built our governance model to ensure accountability, transparency and efficiency at every stage of the process, with the maximum involvement from the community and grass roots organisations.
- 5.2 An executive board will oversee and sign off on the projects in development. This will be chaired by the Cabinet Member for Culture and Regeneration (or such other Member of the Executive with portfolio responsibility for Culture) the GLA, Arts Council and other funders.
- 5.3 Final authorisations for spend will be completed through the local authority governance processes as usual. This will include appropriate sign-off via Spend Control Panel and through delegated decision making as outlined in the council's Scheme of Delegation.
- 5.3 It is proposed a steering group be set up that comprises 30 of our key cultural partners and delivery companies, including reserved spaces for youth representation. This group will lead on the Ignite fund grants, sharing best practice, acting as a critical friend to the programme and ensuring that our programme reflects the diversity of Croydon.
- 5.4 We are in the process of recruiting a Creative Lead who will act as the cultural curator of the programme, ensuring that we build a consistent narrative across all elements and activities and making sure that Borough of Culture reflects the diversity and richness of our borough.
- 5.5 A small internal team will be recruited in the council, to manage the programme and provide appropriate programme and project support including grant management. This will be headed by a culture-sector specialist programme manager, and comprise the programme manager, a project manager, project co-ordinator and fundraising specialist.

Group	Chair	Membership	Responsibility/Terms of Reference
Executive Board	Cabinet Member for Culture & Regeneration (Mayoral appointment)	Cabinet member for Culture & Regeneration (or such other Member of the Executive who has portfolio responsibility for Culture), lead council director, GLA, other large-scale funders	Oversight of the overall programme, oversight of performance of delivery framework partners
Steering Group	Paid role to be agreed	15 already identified key culture partners, up to 15 spaces for smaller specialist groups to ensure diversity and representation	Artistic / critical friend to the programme, leads for developing the Ignite fund criteria, selection of Ignite fund projects, initial identification of gaps and challenges, sharing of best

			practice and information. Representatives of Croydon's culture sector
Culture Hub Network	Creative Lead	Culture Hubs: Stanley Arts, Fairfield Halls, Turf Projects, CEZ, plus others developed through 2022/23	Co-ordination of the Cultural Hub Programme, support for fundraising through Community Producers

5.6 The steering group members as outlined will be drawn from existing key partners who are already engaged in developing the programme and 15 nominees from the sector. The organisations who have already been identified are:

- Apsara Arts
- CEZ
- CMA
- Fairfield Halls
- FMM
- John Whitgift Foundation
- LMP
- One Croydon
- SAVVY
- Stanley Arts
- Talawa
- The BRIT School
- Think Events
- Turf Projects
- Zoo Co

We are confirming the other 15 members who will join the group, should Cabinet agree the recommendations, during March 2022.

6. PRE-DECISION SCRUTINY

6.1 The decision has not been taken to Pre-Decision Scrutiny for consideration. We aim to take the programme to scrutiny for consideration when we have confirmed the membership of the Steering group and the initial programme outline.

7. FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

7.1 The programme is to be funded through a combination of council spend, grants from the GL, additional grants we are currently in the process of bidding for, and fund raising. This is a similar model to previous London Borough's of Culture.

- 7.2 We have designed our programme to be scalable and work from a minimum budget envelope, so we minimise financial risk to the council. This approach is supported by the GLA.
- 7.3 The council spend is proposed to be £522,500 in 22/23 and are we are proposing a further £452,500 in 23/24. This funding is a combination of the existing culture service revenue budget and funding from the Growth Zone for the activities to be run in Croydon town centre. For 22/23 the funding comprises £447,500 of Growth zone and £75,000 of culture revenue budget. This will be managed through standard council spend processes, including Spending Control Panel. This funding will deliver our commitment to a successful LBoC, and directly fund local creative enterprise from all our communities across Croydon.
- 7.4 We are about to sign the grant agreement for £1,350,000 with the GLA to deliver the programme across 2023/24, and this will be confirmed in the next few weeks.
- 7.5 We are in discussions with Arts Council England, the National Lottery Heritage Fund and other grant and fund providers on additional grants and expect these to provide up to an additional £1,900,000 funding. This is inline with previous London Borough's of Culture, and we have already had multiple conversations with these funders as we prepare the programme.
- 7.6 Our programme has been developed so that should this fundraising target not be met the programme will still be delivered on a smaller scale. It does not rely on ticket sales or corporate sponsorship, and the fundraising element sits with the event provider rather than the council. There will not be an additional call on council funds if this fund raising target is not achieved.
- 7.7 As part of the council's role in delivering and supporting London Borough of Culture, we have a dedicated fund raising function that will work to increase the budget and spend on culture activities from private and public funders. This will include corporate sponsorship packages for local and national organisations.

Approved by: Gerry Glover, Interim Head of Finance – Sustainable Communities

7.5 Risks

8. LEGAL CONSIDERATIONS

- 8.1 The Head of Litigation and Corporate Law comments on behalf of the interim Director of Legal Services that the provision of culture and events is a discretionary service and not something which the Council has a legal obligation to provide. However, the Council has adopted a Cultural Plan for Croydon in 2019 which runs until 2023 and this is the Council's vision and policy basis for the proposals.
- 8.2 The recommendation to endorse the Council's current programme outline with regards to Croydon being the London Borough of Culture 2023 has no specific legal implication. However, as and when projects are brought forward as part of

or in support of the Borough of Culture including any specific funding agreements required these will require separate legal advice as to implications..

8.3 The report also seeks approval to the creation of an Executive Board and Steering Group for the delivery of identified events and programmes and distribution of grant funding. Decision making will need to meet both statutory and Constitutional requirements. Both will require approval of membership, constitution and terms of reference.. It should also be noted that project spend authorisations (i.e. application of the grant sum), must involve a governance process to adequately monitor and ensure transparency and accountability both in relation to internal decision making and as it relates to spend control and compliance.as set out in the report within paragraph 5.

8.4 *Approved by:* Sandra Herbert, Head of Litigation and Corporate Law on behalf of the interim Director of Legal Services & Deputy Monitoring Officer.

9. HUMAN RESOURCES IMPACT

9.1 A small team will be recruited to deliver the council's core roles during the next two years. It is anticipated that this will consist of four posts on fixed term contracts, funded by a combination of council & GLA grant funding, to deliver London Borough of Culture. These will be advertised and recruited to inline with existing council policies for the duration of the London Borough of Culture program.

Approved by: Gillian Bevan, Head of HR, Resources and Assistant Chief Executives

10. EQUALITIES IMPACT

10.1 The Council has a statutory duty to comply with the provisions set out in the Section 149 Equality Act 2010. The Council must therefore have due regard to:

(a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;

(b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it

(c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

10.2 The Borough of Culture, supports fostering good relations between those who share a protected characterisitic and those who don't and will enable the Council to promote equality in line with Equality Act 2010.

10.3 The report highlights the need to ensure that the proposals are inclusive of all equality groups. It is necessary to give due regard to all groups by identifying those that may need to be treated more favourably.

- 10.4 Communication media throughout the project will need to meet the standards of the British Dyslexia Association. Standards for those who are affected by colour vision deficiency and individuals who are not neurotypical should also be taken into account.
- 10.5 People who do not have English as a first language, other disabled people and individuals who are digitally excluded may also require additional support. It may be that some organisations require support to apply for grant funding to ensure that participation may ensure equity along with equality groups in the borough and increase access and participation.
- 10.6 Allocation of grant aid would need to be monitored by an equality analysis to ensure participation and grant aid to groups is reflective of the composition of the borough's community groups.
- 10.7 The London Borough of Culture should address the Council's core priority "We will focus on tackling ingrained inequality and poverty in the borough. We will follow the evidence to tackle the underlying causes of inequality and hardship, like structural racism, environmental injustice and economic injustice" by providing opportunities for Croydon residents with regard to participating in citizenship and every day life along with providing employment activities and opportunities for businesses to flourish.
- 10.8 All businesses participating in the events should be requested to adopt the Equalities Pledge and the George Floyd Race Matters Pledge, the Council's standard for equality in Croydon.
- 10.9 The proposal needs to address accessibility for disabled people and those with mobility issues. It should be noted that not all disabled people are Blue badge holders, the standards regarding Blue Badge holders have increased over the past few years so not all people with mobility issues have a Blue Badge. The impact of increased parking fees may have a socio economic impact on the participation of the aforementioned groups in respect of visiting venues and participating in the event.

Approved by: Denise McCausland – Equality Programme Manager

Authors Equality comments

- 10.10 Though the equality analysis was completed at the start of the development it is now out of date. The department is using the equality impact assessment process to ensure that equality is integrated throughout the proposal. An updated analysis will be developed on approval of the report and updated and monitored on a regular basis.

Ensuring that London Borough of Culture has a positive impact on equalities and diversity, and helps build equity in the borough. Our first system vchange goal of LBoC reflects this goal:

- *A Fairer Society* – making sure our programme reflected all of Croydon's diversity, and that everyone in Croydon could participate and benefit from it

Throughout the programme we have tried to ensure that we work with, are reflective of, and will provide events for, all of Croydon's diverse population including the Global Majority, LGBTQ+, deaf / disabled, young people and other key groups.

This is reflected in our governance, with our Steering Group specifically having an equality of representation in its terms of reference to help shape and guide the programme to be as representative and as equalities driven as possible so that it reflects all of Croydon.

An EQIA was created as part of the original bid for London Borough of Culture in 2019, and we will update this continually as part of the programme development in 2022 and 2023.

11. ENVIRONMENT AND CLIMATE CHANGE IMPACT

- 11.1 A greener culture sector is one of our five main goals for London Borough of Culture, and part of the explicit Sector Development goals

12. CRIME AND DISORDER REDUCTION IMPACT

- 12.1 London Borough of Culture will feature several large scale public events in Croydon. We will work with police and the boroughs Safety Advisory Group to ensure these are run safely and securely.

13. REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

- 13.1 Croydon secured the London Borough of Culture in February 2020. Following the impact of Covid-19 and the financial difficulties facing Croydon Council we reviewed how best to proceed with the programme and minimise the risk to Croydon.
- 13.2 The approach outlined here represents the best way forward for a programme that will leverage in significant external funding for the borough and help support our residents and businesses by providing a unique, once in a lifetime celebration of all Croydon has to offer.
- 13.3 The leverage of the GLA grant combined with the other forms of funding outlined in Section 7 represents a multi-million pound investment in our borough. It will significantly increase tourism and support the entertainment and hospitality industry, bringing people to Croydon from across the south of England.

14. OPTIONS CONSIDERED AND REJECTED

- 14.1 We reviewed whether to proceed with the London Borough of Culture in 2021, in discussion with the Improvement Panel overseeing Croydon's recovery. However, we decided that ceasing work on London Borough of Culture would ultimately result in the borough receiving significantly less external investment, at a time when our creative and entertainment industry needs support the most. Our financial commitment and support leverages in significant resources that

will greatly aid our borough. It will increase footfall, tourism and the commercial attractiveness of Croydon.

- 14.2 The reputational damage to Croydon's culture and creative sector and night-time economy from not delivering London Borough of Culture would be extremely damaging, given the disproportionate impact of Covid-19 on our creative sector. LBoC gives us an opportunity to directly address that negative perception and and build a solid, sustainable legacy in the borough.
- 14.2 Equally, the reputational blow to Croydon Council from not delivering on London Borough of Culture would be significant. This programme will allow us to showcase Croydon as an attractive destination venue for a range of creative and cultural activities, and that the Council is fully capable of running and delivering a complex programme of this nature.
- 14.3 As highlighted, the programme specifically supports young people both through the creative and artistic ambitions but also in terms of creating jobs and skilling up young people to work in the creative industries. Failing to deliver LBoC would directly harm young people's opportunities and futures in Croydon.

15. DATA PROTECTION IMPLICATIONS

15.1 WILL THE SUBJECT OF THE REPORT INVOLVE THE PROCESSING OF 'PERSONAL DATA'?

NO

15.2 HAS A DATA PROTECTION IMPACT ASSESSMENT (DPIA) BEEN COMPLETED?

NO

To be approved by: Kristian Aspinall

CONTACT OFFICER: Kristian Aspinall, Interim Director of Culture and Community Safety

APPENDICES TO THIS REPORT

Appendix A: Draft Flagship Events list

BACKGROUND PAPERS

Croydon Creates 2019-2023

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Appendix A: Proposed Flagship Programs

As highlighted in the body of the report, this list is not exhaustive. We are providing further funding through the Ignite fund for up to 10 more large scale flagship events, which are required to be geographically spread across the borough to ensure that all of Croydon can celebrate and be part of the London Borough of Culture.

These events were developed in partnership with the cultural sector in our original bid, and through the further consultation that took place with key partners and the wider cultural partnership across 2020/2021.

April 2023 Croydon Music Heritage Trail

Our musical heritage spans the centuries, from Samuel Coleridge-Taylor to Stormzy and Kirsty MacColl to the Mad Professor and Croydon continues to be a crucible for new genres with the cutting edge sounds of Punk, Dubstep and Drill all sparking into existence here. The music trail will feature 25-30 locations highlighting venues, events and artists from our rich musical heritage to platform our global artists on their local home-grown stage and encourage the next generation to take up the mantle and be proud.

May – August 2023 This is Our Croydon

A collection of Croydon stories immortalising the lives of 10 cultural leaders past and present. Retold by the younger generation through individual commissions in a variety of art forms including theatre, film, spoken word and visual arts. This inter-generational project will seek to inspire the lives of young people through stories of adversity, resilience and the power of community and culture in Croydon.

June 2023 Oratorio of Hope

Opening live event for LBoC with a series of performances at Fairfield orchestrating the hopes and aspirations of our young people with spoken word, movement and music. Involving every school in Croydon and led by locally based organisations in partnership with Croydon Music & Arts, Well Versed Ink and Agudo Dance encouraging every child to participate in the creation and performance of this anthem for Croydon.

July 2023 Croydon Music City –Live music in our parks, streets and venues

Music will sound throughout the London Borough of Culture year as our universal voice for Croydon draws crowds from across London. We will build on the hugely successful outdoor music festivals in Croydon over the last decade to deliver a series of concerts featuring international artists. Croydon's streets will sing through a new network of busking pitches across our district centres and our music venues will host Croydon Calling, a special month-long programme showcasing the borough's finest musical talent alongside established artists.

July 2023 Croydon Pride & Mela

Croydon Pride and Mela will return in 2023, showcasing emerging artists and art groups supported through the Ignite fund and produced by established partners Think Events.

August 2023 Reuse Recycle Fashion Show

Highlighting the need for sustainability and the move to a circular economy this touring production will involve local designers and designer makers re—purposing unwanted clothes and furniture donated by the general public for re-sale.

August 2023 Liberty Festival

Liberty is the Mayor’s flagship programme celebrating D/deaf, disabled and neurodiverse artists. Since 2019, it has developed into a touring festival, taking D/deaf and disabled arts to local communities in outer boroughs when it was embedded into his flagship programme, London Borough of Culture.

September 2023 Croydon EXPO

Croydon Expo will re-purpose empty retail units for a borough wide visual arts exhibition, involve artists in the debate around the re-designing of town centres and includes plans for a ‘Lates’ style programme with cultural venues open during evenings and at night to encourage new audiences and experiences in Croydon town centre.

March 2024 Closing Ceremony Dance & Music

Finale event on Easter Sunday, 2024. Large scale participatory dance event with a carnival atmosphere involving arts and community groups from across the borough finishing with a huge street party on London Rd with live music stages playing Soca, Dub, Dancehall and Reggae alongside Afrobeats and Reggaeton and food from across the globe.

REPORT TO:	MARCH CABINET 2022 <i>Monday 21st March 2022, 18:30</i>
SUBJECT:	Update on the Housing Improvement Board, and the development of the Croydon Housing Improvement Plan
LEAD OFFICER:	<i>David Padfield, Interim Corporate Director, Housing</i> <i>Yvonne Murray, Director of Housing- Resident Engagement & Allocations</i> <i>Stephen Tate, Director of Housing- Estates & Improvement</i>
CABINET MEMBER:	<i>Councillor Patricia Hay-Justice, Cabinet Member for Homes</i>
WARDS:	All

COUNCIL PRIORITIES 2020-2024

The Croydon Housing Improvement Plan and Housing Improvement Board will allow the Council to improve the housing service, with particular regard to the Council's landlord responsibilities. Both the Plan and the Board will ensure the Council's improvement plans address the ARK investigation recommendations, reflect the views of tenants and leaseholders, and provide the best quality service the Council can afford in line with the priorities below:

- We will live within our means, balance the books and provide value for money for our residents.*
- We will focus on tackling ingrained inequality and poverty in the borough. We will follow the evidence to tackle the underlying causes of inequality and hardship, like structural racism, environmental injustice and economic injustice.*
- We will focus on providing the best quality core service we can afford. First and foremost, providing social care services that keep our most vulnerable residents safe and healthy. And to keep our streets clean and safe. To ensure we get full benefit from every pound we spend, other services in these areas will only be provided where they can be shown to have a direct benefit in keeping people safe and reducing demand.*

FINANCIAL IMPACT: Approval of the recommendations would not have financial implications.

KEY DECISION REFERENCE NO.: 2022CAB

The Leader of the Council has delegated to the Cabinet the power to make the decisions set out below:

RECOMMENDATIONS:

The Cabinet is requested to:

- I. Note feedback from the Housing Improvement Board, which was established by Cabinet on 17 May 2021, contained in this report and the presentation from the Chair;
- II. Note the final membership, constitution and Terms of Reference of the Housing Improvement Board agreed under exercise of the delegation given to the former Corporate Director of Place in consultation with the Cabinet Member for Homes as set out in Appendix 2; and
- III. Agree to update the delegation given on 17 May 2022 to the interim Executive Director of Place as follows: Delegate authority to the Corporate Director for Housing in consultation with the Cabinet Member for Housing or such other Member as has portfolio responsibility for Housing to revise as necessary the Membership, constitution and Terms of Reference of the Housing Improvement Board
- IV. Agree the content of the Croydon Housing Improvement Plan in Appendix 1;
- V. Delegate authority to further amend the Croydon Housing Improvement Plan to the Corporate Director for Housing in consultation with the Cabinet Member for Housing or such other Member as has portfolio responsibility for Housing

1. BACKGROUND

- 1.1 Following the revelation of poor housing conditions at Regina Road, the Cabinet agreed to the establishment of an independently-chaired Housing Improvement Board to oversee the development and implementation of the Housing Improvement Plan in May 2021. The Cabinet agreed that the purpose of the Plan and Board would be to address the failings of the housing service highlighted in the ARK Consultancy Investigation into conditions at 1-87 Regina Road, South Norwood.
- 1.2 The Plan has been developed in response to the declared breach of the Home Standard and the Tenant Involvement and Empowerment Standard by the Regulator for Social Housing. It will form a key part of the Council's voluntary undertaking of improvements to the housing service made to the Regulator. Achieving compliance with the Regulator of Social Housing standards will be a key output of the Plan.
- 1.3 The Plan has also been developed to reflect tenant and leaseholder views. The Housing Improvement Plan reflects the feedback received in the summer 2021 door-knocking survey of council tenants.
- 1.4 In July 2021 a report was made to the Scrutiny Streets, Environment and Homes Sub-Committee recommending the sub-committee to note: the Council's progress in improving conditions at 1-87 Regina Road, the draft Terms of Reference of the Housing Improvement Board, and the approach

to the development of the Croydon Housing Improvement Plan. The sub-committee made a series of recommendations which have been largely incorporated into the Housing Improvement Plan and Terms of Reference for the Housing Improvement Board which are included in the Appendices to this report.

- 1.5 The Housing Improvement Plan has been considerably revised based on initial feedback from our external governance structures. In November 2021, the Council's Non-Statutory Review was highly critical of the draft Plan. In January and February 2022, further draft versions of the Plan were presented to the Housing Improvement Board for comment. Feedback from the Improvement & Assurance Panel and the Housing Improvement Board is also included in this report.
- 1.6 The Plan will inevitably continue to evolve over time to reflect further input from the Board, residents, Members and other stakeholders.

2. CROYDON HOUSING IMPROVEMENT PLAN

- 2.1 The Croydon Housing Improvement Plan has been developed to improve the housing service, with particular regard to the Council's landlord responsibilities. The Plan addresses the following five areas of focus:
- Vision & Governance
 - Customer Service & Resident Engagement
 - Repairs & Safety
 - Improving Your Homes
 - Our Workforce
- 2.2 Each of the five areas has been assigned to project managers within the service who are responsible for delivering the activity, whilst a senior accountable officer (Director or Corporate Director) is accountable for the delivery of the work. The delivery of the Plan will follow the Council's agreed programme management framework.
- 2.3 In response to issues raised in the ARK Consultancy Investigation, Equalities, Diversity & Inclusion will be embedded throughout each of the five work-streams. The Council's Equalities Manager has met with each project manager to ensure that the output of the improvement actions explicitly addresses concerns raised by tenants. Each project manager will be responsible for completing an Equalities Impact Assessment for the work-streams which will be regularly reviewed.
- 2.4 An internal workshop with directors, heads of service, and project managers was held in October 2021 to launch the Plan across the directorate. The workshop provided project managers and senior accountable officers with the opportunity to scrutinize the content of the Plan, and highlight the interdependencies between the work-streams.

- 2.5 Delivery of the Plan is being supported by the Council’s Project Management Office. The delivery of the Plan is being overseen by Council officers through the Housing Improvement Plan Working Group which currently meets fortnightly. The Working Group is chaired by the interim Corporate Director for Housing, and provides a forum for progress to be monitored and shared, and for risks to be mitigated or escalated. The Chair of the Working Group also acts as a direct link to the Corporate Management Team.
- 2.6 The draft Plan was shared with the Council’s Non-Statutory Review who commented that the draft Plan was “weak”, “poorly presented” and lacked “SMART targets”. Section 3.4 of this report details how these comments have been addressed.
- 2.7 The draft Plan was also presented to the Housing Improvement Board in January and February 2022 to allow the Board to scrutinise and challenge the Council’s improvement plans with regards to tenant experience and best practice demonstrated by other social landlords. The Board commented that the draft requires simplification, ‘what good looks like’ is not clearly defined, and that the impact the Plan would have on tenants and leaseholders was unclear. The feedback from the Board has been incorporated into the finalised version of the Plan found in Appendix 1. The incorporation of further feedback into the Plan will be an iterative process as the Plan develops over time.
- 2.8 Beyond the feedback provided by tenant and leaseholder representatives from the Housing Improvement Board, resident views will continue to shape the Plan. Whilst resident engagement is included within the Plan as a separate area of focus, engagement with our tenants and leaseholders will form a golden thread throughout the areas of focus. Feedback from the Survey of Tenants and Residents (STAR) which is commissioned by the Council on a quarterly basis will also inform the focus of the Plan as it continues to evolve.

3. CROYDON HOUSING IMPROVEMENT BOARD

- 3.1 The establishment of the Housing Improvement Board was agreed by Cabinet on 17 May 2021 with the purpose of providing independent scrutiny and challenge to the Council’s improvement plans. The Board provides evidenced feedback to Cabinet, as and when it is required, examining whether the Housing Improvement Plan will deliver the recommendations made in the ARK Consultancy Investigation.
- 3.2 The Board is independent of both Council members and officers, and four of the eight board members are existing council tenants from across the Borough. Board members also includes representatives from London Councils, the Local Government Association, and the Department for Levelling Up, Housing and Communities.
- 3.3 The Board will initially focus on the following five themes:

- Conditions at 1-87 Regina Road, South Norwood
- Respect for Tenants & Effective Communication
- Data & Performance
- Member & Officer Governance
- Staff Capability Issues

3.4 Feedback from the Board on the extent to which the Housing Improvement Plan addresses the issues across the five themes above will be presented to Cabinet via the Chair of the Board alongside this report. The Board's assessment of the Council's plans will be supported by both tenant experience, and best practice from other social landlords. The Council has provided a series of performance data reports to the Board to support the Board's enquiries. In concurrence with comments in the Independent Non-Statutory Review, the Board has recommended that our improvement plans have measurable targets and outcomes. Each of our milestones in the Plan now have associated metrics, and officers will be working with the Tenant & Leaseholder Panel to develop revised key performance indicators which will enable tenant and leaseholder scrutiny of the Council's improvement measures.

3.5 All of the Housing Improvement Board meetings are open to the public, and the Board is able to request both Officers and Members to be in attendance at the meetings. The inaugural meeting of the Housing Improvement Board was held on 7 December 2021 at Stanley Halls, South Norwood. The second Board meeting was held remotely on 20 January 2022 where the Housing Improvement Plan was reviewed by the Board. The third Housing Improvement Board meeting was held on 24 February 2022. Following the beginning of the next financial year, the frequency of the Board meetings will be reduced. All papers discussed at the Board are made available on the Council's website ahead of the meetings.

3.6 The revised Terms of Reference for the Housing Improvement Board can be found in Appendix 2. The original Terms of Reference for the Board were presented to Cabinet to note on 26 July 2021 to be agreed under delegated authority of the Executive Director of Place in consultation with the Cabinet Member for Homes. Cabinet should note that these Terms of Reference will require further updating when the Council moves to a Directly Elected Mayor and this will be done under the delegated authority which sat with the Executive Director for Place and which it is now proposed is revised to reference the Corporate Director for Housing as set out in recommendation III of this report..

4. FINANCIAL CONSIDERATIONS

4.1 The proposals set out in this report have no direct financial implications, although the outcome of the work streams that will flow from the Board and strategies may impact on future spending plans and resources.

Approved by: Matthew Davis, Interim Director of Finance (Deputy S151), Finance

5. LEGAL CONSIDERATIONS

The Head of Litigation and Corporate Law comments on behalf of the interim Director of Legal Services that:

Repairing responsibilities

- 5.1 The Council is generally responsible for making sure the structure of rented property is kept in good condition (which includes the walls, ceiling, roof and windows); gas and electricity appliances work safely; and shared parts of a building or housing estate are kept in good condition.
- 5.2 The Council's Tenancy or Lease Agreements set out express terms in relation to both the rights and obligations of the Landlord and the Tenant regarding repair and maintenance responsibilities.
- 5.3 Whether a housing disrepair claim can be made against the Council, principally arises out of contract and statute law.
- 5.4 The basis of a claim can arise under s.11 of the Landlord and Tenant Act 1985 (LTA 1985). In addition, repairing obligations are implied in certain circumstances pursuant to a range of other legislation such as the Defective Premises Act 1972. There are also some standard implied terms developed by the Courts that: 1) if a landlord carries out repairs, they must be done with reasonable skill and care using proper materials; and 2) a landlord must not derogate from its grant. This means where a landlord has taken steps, or granted rights to another party, which render the premises unfit or unsuitable for the purpose for which they were let.
- 5.5 Failure to comply with these implied terms can result in a civil claim for damages and specific performance. A claim for compensation can also be made under the Housing Act 1985. Claims in common law nuisance or negligence can similarly arise. Allegations of statutory nuisance can also be pleaded in the Magistrates' Court under the Environmental Protection Act 1990 where this is evidence to support such a claim. A housing conditions claim may include a personal injury element.
- 5.6 Separately the Homes (Fit for Human Habitation) Act 2018 contains implied covenants that residential rented accommodation is provided and maintained in a state of fitness for human habitation.

Regulatory Requirements

- 5.7 The Housing Ombudsman (THO) established under the Housing Act 1996 (as amended by the Localism Act 2011) is responsible for investigating complaints about member landlords in accordance with a scheme approved by the Secretary of State. The role of THO is to seek to resolve disputes involving members of the Scheme, including making awards of compensation

or other remedies when appropriate, and to support effective landlord-resident dispute resolution by others.

- 5.8 In addition, the Housing and Regeneration Act 2008 established the Regulator of Social Housing (RSH) an executive non-departmental public body of the MHCLG. The RSH sets regulatory standards, codes of practice and guidance for registered providers of social housing. The regulator will consider complaints and referrals to determine whether there is evidence of a breach of its regulatory standards and to whom the Council has self-referred.
- 5.9 The Charter for Social Housing Residents – the Social Housing White Paper published in November 2020 sets out actions the government propose to take to include a Charter for Social Housing Residents, plans for new regulation, a strengthened Housing Ombudsman to speed up complaints, and a set of tenant satisfaction measures that social landlords will have to report against.

Best value

- 5.10 The Local Government Act 1999 imposes a requirement on all local authorities to deliver 'best value' which requires the Council to demonstrate that it is making arrangements that are economic, efficient and effective and the Council has had regard to the need to secure continuous improvement in how it carries out its work.
- 5.11 The review of the Council's housing function, creation and compliance with a Housing Improvement Plan is designed to assist the Council in meeting its core legal responsibilities regarding the keeping in good condition of the Council's housing stock and will be a significant contributor to meeting the Council's legal duty of 'best value'.

Approved by Sandra Herbert, Head of Litigation and Corporate Law on behalf of the interim Director of Legal Services & Deputy Monitoring Officer.

6. HUMAN RESOURCES IMPACT

- 6.1 It is essential that staff working with tenants and residents are fully aware of and undertake equality, diversity and inclusion (EDI) good practice. The council has commissioning a wide-ranging culture change programme which will be aimed at addressing workforce improvement in EDI practice and will be implemented during financial year 2022/23.
- 6.2 Where there is evidence of staff capability issues the council has established capability procedures to seek to support staff performance improvement

Approved by: Dean Shoesmith, Chief People Officer

7. EQUALITIES IMPACT

- 7.1 The Council has a statutory duty, when exercising its functions, to comply with the provisions set out in the Sec 149, Equality Act 2010. The Council must, in the performance of its functions, therefore, have due regard to:
- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act.
 - b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
 - (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- 7.2 The Ark Report outlined the conditions of housing at Regina Road but added only one line about investigations carried out regarding racial discrimination. There was no narrative that explained what the allegations were from tenants and how the decision that “there was no clear evidence that race discrimination had taken place” had been arrived at.
- 7.3 There were several anecdotal stories about discriminatory behaviour towards tenants from senior officers who were employed by the Council at that time that were absent from the report.
- 7.4 In order to address the issues raised by the tenants it is necessary to understand what was meant by the original allegations made by the tenants from their perspective. Noting that the perception of the tenants is highly relevant and should be explored, understood and accepted by the department.
- 7.5 The failure to address these issues was exasperated by the absence of equality data held both by the department and the suppliers. This meant that complaints could not be logged by characteristic, or any pattern identified of complaints arising from tenants who believed that they were treated adversely in respect of their race. The lack of data collection also impacted other housing areas where complaints of discrimination arose such as allocations. This is an issue of urgent importance for housing to address during efforts to improve the delivery of housing services.
- 7.6 Recommendation 12 of the McPherson report defines a racist incident as one that is perceived so by the victim or other person. This requires the Council to act as if the perception of the victim was accurate when offering solutions. It should not be assumed that the allegations were merely an issue of lack of respect and dignity experienced by everyone. The experience of ethnic groups spanned several ethnicities and was not isolated to one ethnic group.
- 7.7 The work streams identified in the HIP should ensure that equality implications are transparent and visible in the work that is carried out, rather than be merely

implied. It is essential that each workstream should undertake an equality analysis at the start of each project which should be constantly reviewed and revisited, rather than at the end. It is essential that this includes collection of equality data across all services. Advice should be sought about equality implications of proposals, and they should not be dismissed as having no relevance to equality without further discussion.

- 7.8 Due consideration should be given to residents who may need to be treated even more favourably under the Equality Act 2010. These include: disabled residents, parents of disabled children, people who do not have English as a first language.

Approved by: Denise McCausland, Equality Programme Manager

8. ENVIRONMENTAL IMPACT

- 8.1 The delivery of an extensive housing capital programme will be an important route towards delivering Croydon's carbon neutrality aspirations. This work will need to be explored in more detail as part of the development of an Asset Management Strategy as set out in the Plan.

9. CRIME AND DISORDER REDUCTION IMPACT

- 9.1 Improvements in the Council's tenancy management service are likely to have a positive impact on anti social behaviour within the Borough. It is important that the work set out in the Improvement Plan is developed in conjunction with the Sustainable Communities team.

10. DATA PROTECTION IMPLICATIONS

10.1 WILL THE SUBJECT OF THE REPORT INVOLVE THE PROCESSING OF 'PERSONAL DATA'?

No

10.2 HAS A DATA PROTECTION IMPACT ASSESSMENT (DPIA) BEEN COMPLETED?

No

The subject of the report does not involve the processing of 'personal' data. There are therefore no data protection implications.

CONTACT OFFICER: *David Padfield, Interim Corporate Director, Housing*

APPENDICES TO THIS REPORT:

LBC HOUSING IMPROVEMENT PLAN (1)

REVISED HOUSING IMPROVEMENT BOARD TERMS OF REFERENCE (2)

Housing Improvement Plan

March 2022

Croydon's housing improvement plan

Five themes and the outcomes we are working to achieve for each



Vision & governance

- A comprehensive vision to guide staff
- Strong governance around everything we do
- A trusted performance management system which provides assurance
- Transparent and accurate financial reporting

Improving your homes

- Confidence in our stock data and our ability to utilise it
- A robust Asset Management Strategy
- Fit-for-purpose vehicles for delivering investment
- Robust arrangements for managing capital delivery contractors to drive satisfaction and value for money

Our workforce

- A resident-focused and performance-oriented service
- Housing staff have the right skills, capacity, capability and tools to effectively perform their role
- Accountable and resilient leadership and management
- A diverse and talented workforce reflective of the community it serves

Repairs & safety

- A system that makes reporting a repair easy
- Repairs done on time and right first time
- Full compliance with the Building Safety Act
- Quick turnaround of voids

Customer service & resident engagement

- Residents find it easy to contact us
- Resident engagement is at the heart of all we do
- All residents are provided with the information they need
- Compliance with complaints handling requirements and best practice



1. Introduction

The independent ARK investigation in spring 2021 into living conditions at 1-87 Regina Road, South Norwood discovered a wide range of problems across the Council's housing service. The report concluded that there were a range of issues across the Council's operational teams and with the main repairs contractor. These issues led to a failure to deliver even basic core housing services effectively and were symptomatic of poor performance across the Council's housing service.

Specific issues identified include:

- A lack of capacity and competence
- A poor operating culture with a lack of respect and care for tenants
- Systemic problems in how the Council communicates and deals with tenants' concerns and complaints
- Weak performance management meaning senior managers did not have oversight of issues
- Poor use of data and intelligence by the Council and its contractors

In response, we have produced the Croydon Housing Improvement Plan to set out a clear set of objectives and actions that will address these problems and improve services across the new Housing Directorate. The Housing Improvement Plan addresses the seven recommendations for improvement listed in the ARK investigation:

1. Establish clear governance arrangements to provide strategic leadership to the service.
2. Undertake a forward-looking skills gap analysis.
3. Implement a development programme to ensure all staff consistently demonstrate the attitudinal and behavioural competences need to support the Council's values and shape its culture.
4. Strengthen the Council's capacity, competence and commitment to tenant involvement through training and development of staff and councillors.
5. Develop 'business intelligence' systems that allow the Council to collect and share real-time information on asset condition and performance (including from the contractor).
6. Conduct a fundamental review of performance management arrangements.
7. Make improvements to complaints handling in line with the Housing Ombudsman's Complaint Handling Code.

2. What difference will this make?

In establishing this Improvement Plan, the Council is setting out a vision that enshrines learning lessons from the past and providing safe homes for our tenants and leaseholders.

We aim to provide residents with homes that are safe, warm and dry, and that they are proud to call home. In doing so, we will always aim to treat them with respect and dignity, and listen to their voices, irrespective of race, disability or any other protected characteristic. We will seek to ensure that our contractors do the same. We will aim to measure the things that are important to our residents. We will aim to provide services that offer good value for money.

In order to deliver on this commitment, we know that we need to change the culture of the organisation so that we become more focused on the needs of residents. We will need to put resident engagement at the heart of what we do. We will need to build organisational capacity and competence, and work in partnership with our contractors.

In doing this we will be guided by, and aim to be in compliance with, the four consumer standards set out by the Regulator of Social Housing:

- Home Standard
- Tenancy Standard
- Neighbourhood & Community Standard
- Tenant Involvement and Empowerment Standard

This change cannot happen overnight, but progress must be demonstrable and visible. If we deliver the outcomes of this Plan successfully, residents will find it much easier to get the services they need from their landlord. These services should also be delivered in a timely manner and to a good standard - and we know that our responsive repairs service is a resident priority for improvement.

All residents should feel that they have the opportunity to have their voices heard in the management of their homes. When we get things wrong, complaints must be dealt with in line with the requirements of the Housing Ombudsman, and we must act swiftly to put things right. We must also invest in resident homes to maintain and improve them - not only for our current occupants, but also for future generations.

LBC HOUSING IMPROVEMENT PLAN

3. Work to date

Since spring 2021, considerable work has already taken place to lay the foundations for this Plan. As well as basing this Plan on the recommendations of the ARK report, we have listened to the voices of our tenants and leaseholders, councillors, staff, and the independent Housing Improvement Board.

At Regina Road, the worst affected households have either been moved, or approved for a move and are currently waiting for a suitable property to become vacant. An extensive programme of repairs, including fire safety works, has been carried out and further repairs are planned in the immediate future. Detailed surveys of all blocks have been undertaken and shared with residents. A resident reference group has been established to discuss longer term investment plans and the future of the estate.

Previously fragmented elements of the housing service have been brought together into a unified Housing Department and a Corporate Director for Housing has been appointed. A new top-level management structure is in place. Housing staff have run a major exercise of door-knocking and roadshows to gather the views of residents.

Performance reporting has been improved and regular reports are submitted to the Council's Cabinet. Performance in relation to compliance with health and safety requirements is prominent in this improvement. Improvements in governance and contract management have been put in place.

Drafts of this Plan have been widely discussed with stakeholders including the Council's Streets, Environment and Homes Scrutiny Sub Committee and the Housing Improvement Board. Their feedback has helped shape the Plan.

As a result of this feedback, we have organised the Plan into five clear Areas of Focus:

- Vision and Governance
- Customer Service and Resident Engagement
- Repairs and Safety
- Improving Your Homes
- Our Workforce

For each Area of Focus, we have set out our desired outcomes, the key milestones on the way to delivering those outcomes, and suggested metrics for measuring progress in that area.

LBC HOUSING IMPROVEMENT PLAN

4. Resident engagement

In delivering the outcomes required by this Plan, resident engagement must be placed at the heart of our landlord service. This means that we must expand and improve our resident engagement structures and processes to enable tenants and leaseholders to set priorities, shape policies and co-design improvements to the service. Feedback from our satisfaction surveys will be central to assessing the progress of our services and the success of this Plan.

In order for this to be successful, we will need to significantly improve the way we provide information about services to our residents, via whichever channels work best for them.

In developing and delivering the Plan, we also need to build upon the excellent work already done by residents as part of the Tenant & Leaseholder Panel, Performance Monitoring Group, and Resident Scrutiny Panel, especially in relation to voids processes and developing a Residents Charter.

5. Equalities

The Council is committed to treating all of our residents with respect and dignity irrespective of race, disability or any other protected characteristic. This commitment needs to be reflected in the delivery of all aspects of this Plan.

Ensuring all council tenants and leaseholders are treated with respect and empathy must align with the council's statutory responsibilities under the Equality Act 2010. No council tenant or leaseholder should feel discriminated against on the basis of their race, religion, age or gender. The impact of the Plan on council tenants with protected characteristics will be scrutinised and regularly assessed to promote equality. The Housing service must be tailored to reflect the diverse community it serves.

Where compliant with the General Data Protection Regulation, this will mean looking at the outcomes of our services by protected characteristics. Where required, we will prepare Equality Impact Assessments in respect of major service changes.

6. Dependencies and interdependencies

The various areas of focus set out in this plan interact with other to a considerable extent and will only be effective in improving the housing service if they working together as a coherent, integrated set of processes and people working across the Housing service as one team. Furthermore, there are a number of key activities that sit outside of this Plan which will have a significant impact on the desired outcomes of the Plan:

Mayoral election - the move to an elected Mayor in May 2022 will be a key moment in the development of this Plan. The Mayor will no doubt wish to continue to shape the Housing directorate and the development of this Plan.

Croydon Renewal Plan - the Housing Improvement Plan must be read as an important element of the wider Croydon Renewal Plan.

ICT - the Plan references the move towards adopting the new NEC Housing IT System. This is a major project in its own right. As the Plan develops, we will also need to address the Housing aspects of an evolving Croydon Digital Strategy.

Recruitment - the recruitment and retention of key housing staff has been a significant challenge for the Council. If we are unable to recruit and retain housing staff in the future, this will constitute an obstacle to the delivery of the Plan.

Housing Revenue Account – Money has been set aside in the 22/23 HRA budget to fund compliance with the Building Safety Bill. The delivery of the other objectives of the Plan must either be achieved within existing resources or become a draw on HRA Reserves. The Housing Improvement Board will be kept advised as to any spending over and above existing resources.

Procurement – The Plan will involve significant procurement work and the results of this will obviously be influenced by the condition of the market.

Public Health – Whilst there is no specific public health workstream within the Plan, the enormous impact of housing on health is recognised by the Council. Alignment of this work with wider public health objective is therefore essential.

LBC HOUSING IMPROVEMENT PLAN

7. Area of Focus: Vision & Governance

In order to deliver a high standard of service to our tenants and leaseholders, it is essential that we have a clear vision that is understood by all our staff. We also need strong governance arrangements that align with the Council's wider governance requirements and link to other key stakeholder such as tenants and leaseholders, and the Regulator for Social Housing.

Our governance must be supported by accurate performance management information that fulfils a dual purpose.

- 1) It measures how we run our business in line with the targets and objectives we set for ourselves; and,
- 2) It also captures how, as a landlord, we meet expectations of our tenants and leaseholders. Likewise, financial reporting needs to be comprehensive, accurate and sufficiently transparent to allow tenant and leaseholder scrutiny.

Outcomes

- A comprehensive vision to guide staff
- Strong governance around everything we do
- A trusted performance management system which provides assurance
- Transparent and accurate financial reporting

Milestones and metrics

A comprehensive vision to guide staff	
Initial statement of values made to the Regulator of Social Housing and communicated to staff	March 2022
Delivery of strategy and service plan for the Department, which sets out the way forward	April 2022
New operating model approved by Cabinet	January 2023
<i>Associated Metric:</i> Staff understand the objectives of the Council and their role in delivering them – as measured through annual staff survey	

LBC HOUSING IMPROVEMENT PLAN

Strong governance around everything we do	
Internal governance statement that captures relevant controls and stakeholder involvement	March 2022
Housing Improvement Plan finalised and approved	March 2022
Regulator of Social Housing determination of compliance with Tenancy and Homes Standards	Mid-2023
<i>Associated Metric:</i> None. Compliance will be set out in an annual governance statement submitted to Internal Audit	

A trusted performance management system which provides assurance	
Policy & Performance Team established to lead work	May 2022
Refreshed set of indicators agreed with Tenant & Leaseholder Panel	September 2022
Accuracy of data and systems used for performance indicators audited	March 2023
<i>Associated Metric:</i> None. Success to be determined by sign-off of management information reports by Tenant & Leaseholder Panel	

Transparent and accurate financial reporting	
Refreshed Housing Revenue Account Business Plan approved by Cabinet	March 2022
Review of Tenant Service Charges to establish accuracy and transparency	October 2022
Regular financial reports made accessible to all tenants and leaseholders for scrutiny	November 2022
<i>Associated Metric:</i> None. Success to be determined by sign-off of financial reports by Tenant & Leaseholder Panel.	

LBC HOUSING IMPROVEMENT PLAN

8. Area of Focus: Customer Service & Resident Engagement

The overarching aim of the Housing Improvement Plan is to improve the Council’s landlord services for our tenants and leaseholders. We have devised a work stream which will improve our customer services and engage tenants and leaseholders in our improvement plans.

Tenant and leaseholder satisfaction with the Council’s housing services will enable the Council to assess whether the Improvement Plan has been effective. Improvements to our ‘front-door’ and engaging residents to co-design these improvements will be crucial.

Outcomes

- Residents find it easy to contact us
- Resident engagement is at the heart of all we do
- All residents are provided with the information they need
- Compliance with complaints handling requirements and best practice

Milestones and metrics

Residents find it easy to contact us	
Revised policy on telephony contact developed and implemented	October 2022
Revised access and support offer for vulnerable tenants developed and implemented	October 2022
Clear policy on digital contact and transactions developed and implemented	April 2023
<i>Associated metrics:</i> STAR tenant satisfaction survey (“how satisfied or dissatisfied are you that the housing service is easy to deal with?”)	

LBC HOUSING IMPROVEMENT PLAN

Resident engagement is at the heart of all we do	
Programme developed of resident engagement to ensure that we create opportunities for all tenants to tell us about and shape their experience of the housing service	October 2022
Resident engagement strategy developed around building safety in high-rise blocks	October 2022
Prepare for implementation of the Charter for Social Housing Residents (Social Housing White Paper)	March 2023
<i>Associated metric:</i> STAR tenant satisfaction survey	

Provide all our residents with the information they need	
Key information is advertised locally via estate and block noticeboards	April 2022
Comprehensive service information is available to residents on the Council's website	October 2022
Comprehensive service information is available via telephone, correspondence or in-person	October 2022
<i>Associated metric:</i> Audit of information through the Housing Scrutiny Panel	

Compliance with complaints handling requirements and best practice	
Full range of service standards co-created and co-produced with tenants and leaseholders	June 2022
Quality of responses to complaints is audited and analysed	July 2022
Learning from complaints is systematically used to improve services	October 2022
<i>Associated metric:</i> Number of complaints received and resident satisfaction with complaints handling	

9. Area of Focus: Repairs & Safety

The Council’s failings at Regina Road and the subsequent criticism set out in the ARK report were, first and foremost, the consequence of failings of our repairs processes. It is essential that the Council has a responsive repairs system that residents find easy to use and can deliver the required repairs on time and to a high standard.

This must be achieved within the context of forthcoming post-Grenfell building safety legislation that places considerable new statutory responsibilities on landlords. We also have to address the challenge of making the best use of our housing stock by turning around empty homes as quickly as possible.

Outcomes

- A system that makes reporting a repair easy
- Repairs done on time and right first time
- Full compliance with the Building Safety Act
- Quick turnaround of voids

Milestones and metrics

A system that makes reporting a repair easy	
Additional tenant and leaseholder engagement on repair contact	July 2022
Redesigned repairs reporting process	September 2022
NEC ¹ Housing management solution implemented	November 2022
<i>Associated Metric:</i> 'Get through on first time' satisfaction rating and overall satisfaction rating with repairs	

¹ NEC is a housing management system provided by NEC Software Solutions.

LBC HOUSING IMPROVEMENT PLAN

Repairs done on time and right first time	
Improvement plan with current contractor agreed and implemented	July 2022
Re-procurement of new tenant and leaseholder focused repairs contractor	June 2023
Start of new repairs contract	August 2023
<i>Associated Metrics:</i> Repairs completed first time and overall satisfaction with repairs	

Full compliance with existing and upcoming safety regulations	
Additional resource joins the building safety and compliance team	September 2022
Demonstrable satisfactory compliance within existing regulatory frameworks	March 2023
Demonstrable compliance with Fire Safety Act and Building Safety Act upon enactment ensured	May 2023
<i>Associated Metrics:</i> “Big six” main compliance indicators	

Quick turnaround of voids	
Complete benchmarking review to establish best practice	September 2022
Completed business process re-engineering review of void management building upon resident task and finish and scrutiny recommendations	December 2022
NEC Housing Reports available to support decision making	December 2022
<i>Associated Metric:</i> Key-to-key turnaround in calendar days	

10. Area of Focus: Improving Your Homes

Over the next 30 years, the Council expects to invest almost £750m in its housing stock. It is essential that the Council is able to prioritise and direct this investment as efficiently as possible and obtain good value for money. As part of this process, it is important that the Council develops and implements business systems that enable collection and sharing of real-time information on asset condition and performance, in order to improve the management of repairs and drive better investment decisions. We must utilise all available data to develop a cost-effective plan for improving the housing stock to ensure homes are safe, warm and dry.

Outcomes

- Confidence in our stock data and our ability to utilise it
- A robust Asset Management Strategy
- Fit-for-purpose vehicles for delivering investment
- Robust arrangements for managing capital delivery contractors to drive satisfaction and value for money

Milestones and metrics

Confidence in our stock data and our ability to utilise it	
Capacity within the team to analyse and audit data	June 2022
NEC Housing System go-live	November 2022
Receive next tranche of stock condition data	January 2023
<i>Associated Metric:</i> Number of non-decent homes as per statutory return	

LBC HOUSING IMPROVEMENT PLAN

A robust Asset Management Strategy	
Draft Asset Management Strategy available for resident consultation	October 2022
Resident consultation complete	December 2022
Strategy approved by Full Council	January 2023
<i>Associated Metric:</i> None	

Fit-for-purpose vehicles for delivering investment	
Completed review of existing capital delivery vehicles	June 2023
Agreement as to future procurement needs and strategy	September 2023
Additional procurement complete	September 2024
<i>Associated Metric:</i> Resident satisfaction with major repairs to their homes	

Robust arrangements for managing capital delivery contractors to drive resident satisfaction and value for money	
Complete review of Housing contract management processes	July 2022
Review external contract support arrangements	October 2022
Revised contract management process and structure in place	TBC
<i>Associated Metric:</i> Resident satisfaction with major repairs to their homes	

LBC HOUSING IMPROVEMENT PLAN

11. Area of Focus: Our Workforce

Everything we do will be determined by the quality and motivation of our workforce. We need to ensure that we recruit and retain the best possible staff, and we want to ensure that the composition of our workforce- at all levels of the organisation- reflects that of the community we serve. The ARK report was highly critical of the culture within the housing service and this must be addressed.

We want our staff to be highly motivated and have the right tools to do the jobs being asked of them. And this can only be achieved if we have good quality leaders and managers who can give staff the support they need and model the behaviours required by the organisation.

Outcomes

- A resident-focused and performance-oriented service
- Housing staff have the right skills, capacity, capability and tools to effectively perform their role
- Accountable and resilient leadership and management
- A diverse and talented workforce reflective of the community it serves

Milestones and metrics

A resident-focussed and performance-oriented service	
Values-based, customer service focused behavioural framework developed and implemented	September 2022
Staff survey culture recommendations for housing directorate implemented	April 2023
Refreshed performance management framework, appraisals and 1-2-1s implemented and monitored	October 2022
<i>Associated Metrics:</i> Tenant and leaseholder satisfaction with staff interaction – as measured through STAR survey. Staff survey questions on organisational culture	

LBC HOUSING IMPROVEMENT PLAN

Housing staff have the right skills, capability and tools to effectively perform their role	
Staff skills audit completed	June 2022
Comprehensive learning & development programme developed and delivered	February 2023
Impact of learning & development interventions programme measured	June 2023
<i>Associated Metrics:</i> Staff feel equipped to do the jobs required of them – as measured through annual staff survey	

Accountable and resilient leadership and management	
Leadership and management behaviours and skills audit completed	July 2022
Capability interventions to equip all levels of management with skills, tools and behavioural frameworks to effectively lead their teams are implemented	December 2022
Compliance with new behavioural frameworks is measured	April 2023
<i>Associated Metrics:</i> Staff understand the objectives of the Council and feel supported by their managers to deliver them	

A diverse and talented workforce reflective of the community it serves	
Comprehensive data on workforce composition and gap analysis is collected	May 2022
Workforce Plan to address recruitment and retention challenges is updated	October 2022
Systems developed and implemented where housing staff can share their views and regularly be heard	October 2022
<i>Associated Metric:</i> Our workforce data – reporting format still to be confirmed.	

CROYDON HOUSING IMPROVEMENT BOARD
TERMS OF REFERENCE & MEMBERSHIP

NAME	Croydon Housing Improvement Board
DATE	January 2022
CHAIR	Martin Wheatley
FREQUENCY	Frequency to be determined by the Chair, in consultation with Board Members and the Cabinet Member for Housing or such other member as has portfolio responsibility for Housing.
MEMBERS	<ul style="list-style-type: none"> • Independent Chair (Martin Wheatley) • Tenant representative (Les Parry) • Tenant representative (Ishia Beckford) • Regina Road representative (Fahad Eisa) • Chair of Tenants & Leaseholder Panel (Yaw Boateng) • Croydon Improvement & Assurance Panel Representative (Phil Brookes) • London Councils representative (Eloise Shepherd) • Representative of voluntary & community sector in the area(s) of family support &/or, housing experience &/or equality and diversity (TBC)
IN ATTENDANCE	<p>Leader of the Council Cabinet Member for Homes Opposition Cabinet Member for Homes Interim Corporate Director, Housing</p> <p>Other invitees as required at the Chair's discretion.</p>

PURPOSE	<p>The Croydon Housing Improvement Board is an independently chaired body which reports and makes recommendations to Cabinet. Feedback from the Board will shape the development and implementation of the Housing Improvement Plan. The Board oversee the delivery of the CHIP by reviewing performance against a plan of action approved by Cabinet.</p> <p>Through their regular meetings the Board will support and challenge the implementation of the CHIP which aims to deliver an improved housing service for local residents, with strengthened governance and management controls, improved tenancy engagement and robust asset management plans, measured by key</p>
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	<p>performance indicators, to ensure council housing across the borough is safe, warm and decent for our residents.</p> <p>The Board will provide challenge and external oversight that ensures council officers deliver the outcomes of the CHIP. The Board will pay particular attention to the Regulator for Social Housing (RSH)'s standards and make recommendations to Cabinet to assist the Council to ensure it resolves the current breach and regains the confidence of both the Regulator and council tenants.</p> <p>The Board will review the impact of the Croydon Housing Improvement Plan through the use of data, showing progress against clear, measurable objectives within the plan. The Board will receive reports as to progress.</p>
ELECTION OF VICE CHAIR	The Board will nominate and agree a vice-chair from its membership who can deputise in the absence of the chair.
ROLE OF BOARD	<ol style="list-style-type: none"> 1. Influencing development of the Croydon Housing Improvement Plan (CHIP) and recommending it to Cabinet for approval. 2. The Board will make recommendations to Cabinet on actions to consider to ensure the delivery of the CHIP and achievement of sustainable improvement within the agreed timescales and cost. 3. Provide challenge and opportunities to ensure that actions taken meet the improvement outcomes that are required of the Council. 4. Ensure that the Council hears, understands, and responds to lived experience of residents housed within the borough. 5. Ensure the Council is constantly seeking to learn from best practice elsewhere and builds a learning methodology into its improvement work. The Board to invite external advice where relevant. 6. Report at a minimum of annually to Cabinet on its work.
ACCOUNTABILITY & REPORTING RELATIONSHIPS TO OTHER BODIES	<p>The Board will report to Cabinet.</p> <p>The membership of the Board are able to invite members of another relevant body or board to attend a meeting to inform the discussion on an agenda item.</p>

	<p>The Board will provide a layer of independent engagement and accountability for the Council in relation to the development and implementation of measures to improve its housing service. It does not preclude or prevent Scrutiny & Overview or GPAC from fulfilling the duties as described in the Council Constitution. The Chairs of both committees will be invited to attend the Board.</p>
<p>REPRESENTATIONS FROM MEMBERS OF THE PUBLIC</p>	<p>The Board will be able to receive representations from members of the public and have question and answer sessions.</p> <p>Questions or representations which relate to a current planning or licensing matter or any matter relating to an individual or entity in respect of which that individual or entity has a right of recourse to a review or right of appeal conferred by or under any enactment shall not be permitted. In addition, questions/representations shall not be received or responded to where they pertain to anticipated or ongoing litigation, conciliation or mediation or any employment or personnel related issues or disputes. A named member of staff shall not be the subject of a question/representation.</p>
<p>MEMBERSHIP OF THE BOARD</p>	<p>Recommendations for changes to membership of the Board can come from the Board or the Council attendees listed above and will be proposed to the Corporate Director for Housing for consideration in consultation with the Cabinet Member for Housing or such other member with portfolio responsibility for Housing for decision.</p>
<p>BOARD MEETINGS</p>	<p>Frequency to be determined by the Chair, in consultation with Board Members and the Cabinet Member for Housing or such other Member as has portfolio responsibility for Housing. Meetings will be held in public and will be up to two hours in duration.</p>
<p>STANDARD AGENDA ITEMS</p>	<p>Agenda to be set by the Chair as they see fit.</p>
<p>SUPPORT TO BOARD</p>	<p>The Corporate Director, Housing, will provide appropriate officer support for the Board.</p>
<p>REVIEW & AMENDMENTS TO TERMS OF REFERENCE</p>	<p>The Board will conduct an annual review of its progress to ensure it is meeting its aims and adding value to the improvement work of the housing directorate presented to Cabinet. Changes to the Terms of Reference may be proposed by the Board or Council at any time. Any changes will be subject to approval of the Corporate Director for Housing in consultation with the Cabinet Member for Housing or such other member as has portfolio responsibility for Housing and reported into Cabinet.</p>

DECLARATIONS OF INTEREST	All members of the Board will be expected to abide by the Seven Principles of Public Life (the Nolan Principles) and all relevant Codes of Conduct applicable to their appointment and any interests declared by Board Members will be recorded in the minutes.
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Agenda Item 6

REPORT TO:	CABINET 21 March 2022
SUBJECT:	Housing Revenue Account (HRA) 30 Year Business Plan 2021- 2051 and HRA Capital Programme 22/23
LEAD OFFICER:	David Padfield – Interim Corporate Directors of Housing Stephen Tate - Director of Housing Estates and Improvements
CABINET MEMBER:	Councilor Patricia Hay-Justice Cabinet Member for Homes
WARDS:	All
SUMMARY OF REPORT: The report presents a new 30 year Business Plan for the Housing Revenue Account (HRA) with consideration to both capital and revenue investments required for the management and maintenance of Croydon Council's housing stock.	
COUNCIL PRIORITIES 2020-2024 <i>Include here a brief statement on how the recommendations address one or more of the Council's priorities:</i> <ul style="list-style-type: none">• <i>We will live within our means, balance the books and provide value for money for our residents.</i>• <i>We will focus on tackling ingrained inequality and poverty in the borough. We will follow the evidence to tackle the underlying causes of inequality and hardship, like structural racism, environmental injustice and economic injustice.</i>• <i>We will focus on providing the best quality core service we can afford. First and foremost, providing social care services that keep our most vulnerable residents safe and healthy. And to keep our streets clean and safe. To ensure we get full benefit from every pound we spend, other services in these areas will only be provided where they can be shown to have a direct benefit in keeping people safe and reducing demand.</i>	
FINANCIAL IMPACT The Business Plan demonstrates that the investment proposals are fundable, subject to the assumptions within the Plan, and that the HRA remains sustainable and viable over the 30 year period.	

FORWARD PLAN KEY DECISION REFERENCE NO.: 2422CAB

The Leader of the Council has delegated to the Cabinet the power to make the decisions set out below:

1. RECOMMENDATIONS

Cabinet are asked to:

- 1.1 Agree the HRA 30 year Business Plan 2021-2051 as set out at Appendix 1 and detailed in this report, which is based on the HRA revenue budget for 2022-23 agreed by Full Council on 8 March 2022;
- 1.2 Consider the HRA Capital Programme for 22/23 as set out in Appendix 6 and recommend to Full Council that it approve the HRA Capital Programme for 22/23.
- 1.3 Note the assumptions the Plan is based upon and the risks associated with these assumptions;
- 1.4 Note the proposals for the ongoing development of the HRA Business Plan and agreed that the Plan will be updated annually with a full review every third year.

2. EXECUTIVE SUMMARY

- 2.1 The Housing Revenue Account (HRA) 30 year Business Plan sets out the long term financial position of this ring-fenced account. Whilst the HRA Business Plan is for a period of 30 years, the key focus is on the medium-term (first five years) as there is more certainty on costs, demands, resources and pressures, to enable the prioritisation of housing investment.
- 2.2 The medium term also considers the strategic objectives of the Council and the impact of Government policies on rents, disposals and regeneration. The Plan is constantly evolving and the impact of the updated Decent Homes Standard and implications of the Government's Social Housing White Paper will be factored into the next iteration of the Plan.
- 2.3 The key elements of the HRA financial operations are set out below and are brought together within the Plan. The Plan will be used as a tool to assess the impact of decision making around stock acquisition and maintenance, long-term Treasury Management Strategy and wider strategic options of the Council.
- 2.4 The borrowing within the Plan in the short term is to finance acquisitions of new stock. No other borrowing is modelled at this point and will be carried out in accordance with the Council's Treasury Management Strategy.
- 2.5 The Plan has had a full refresh and a change of approach in some aspects, notably a review of inflationary assumptions, it will be updated on a regular basis incorporating changes in stock conditions and other factors and Members

will receive an annual update with recommendations as to any amendments to the Plan that may be required.

- 2.6 The Business Plan is limited in scope to those assets that sit within the HRA or on HRA owned land as detailed [Appendix 2](#) and in summary in Table 1.

Table 1 Rent and Tenure Type

Asset Type	Rent/Tenure Type					Grand Total
	General Rent	Leased & Managed Properties	Leaseholders	Serviced Tenancies	Vacant Pending Demolition	
Dwelling Stock	14,572	342	2,507	12	0	17,433
Non dwellings (inc. garages)	2,765	0	0	0	94	2,859
Grand Total	17,337	342	2,507	12	94	20,292

3. HRA BACKGROUND

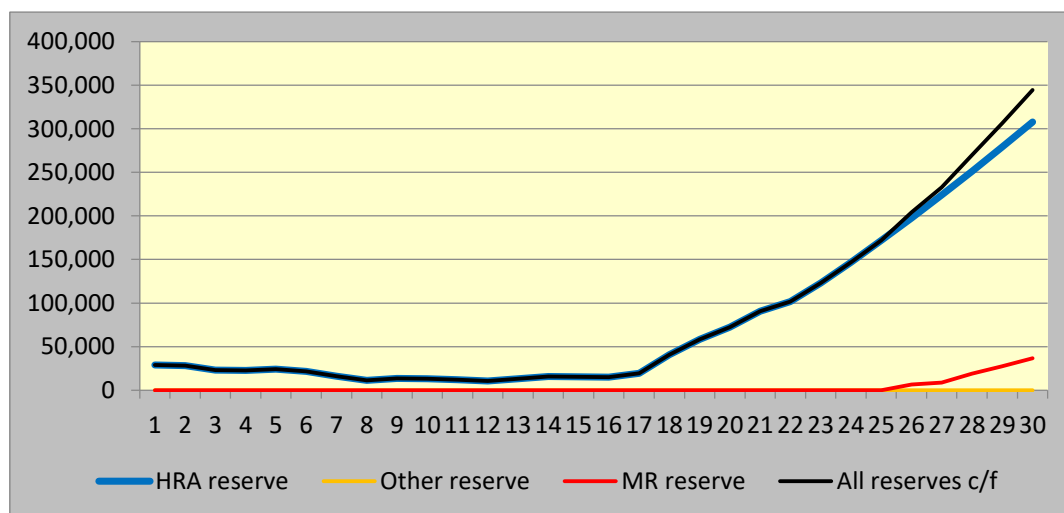
- 3.1 The HRA specifically accounts for revenue expenditure and income relating to the Council's own housing stock and is ring fenced from the Council's General Fund as required by the Local Government and Housing Act 1989, which specifies the items that can be charged and credited to it. The account must include all costs and income relating to the Council's landlord role (except in respect of leased accommodation, for households owed a homeless duty, and in respect of accommodation provided other than under Housing Act powers). The Council has a legal duty to budget to ensure the account remains solvent and to review the account throughout the year.
- 3.2 The Housing self-financing system was implemented on 1 April 2012 when the HRA subsidy scheme was abolished. At that point Croydon took on £223million of debt. In the interim, acquisitions within the HRA have been made and the opening debt in the Plan in 2021-22 is £322.5million.
- 3.3 Maintaining a residential property portfolio of this magnitude is a major financial commitment. Furthermore, the primary source of funding to meet this commitment is rent paid by tenants and the Council is strictly limited as to the extent it can raise these rents. It is therefore of the utmost importance that the Council is clear as to how it intends to balance income and expenditure over time to ensure the property portfolio receives the level of investment it requires and borrowing stays within the necessary prudential limits.
- 3.4 As well as investing in our housing stock to ensure all residents' homes are safe, warm and dry, the Council will also wish to improve its housing stock and invest in significantly reducing its carbon footprint over the life of the Plan. Further property acquisitions and regeneration projects are also likely to require funding during this period.

- 3.5 The HRA Business Plan is therefore a vital document in the proper management of our homes and will form the basis of a new Asset Management Strategy to be prepared later this year and submitted to Full Council.
- 3.6 This report sets out the latest 30-year HRA Business Plan. The report includes financial analysis to demonstrate the viability and sustainability of the Plan.
- 3.7 Each year the Council will review, update and approve the Plan in line with best practice and the wider Housing Improvement Plan also considered on this Cabinet agenda. A re-profiling of capital expenditure proposals and updates on how the Council plans to finance the capital programme including use of surplus capital receipts, grants and HRA borrowing, will also be carried out annually. It is envisaged that a complete review of the Plan will take place at least every third year.

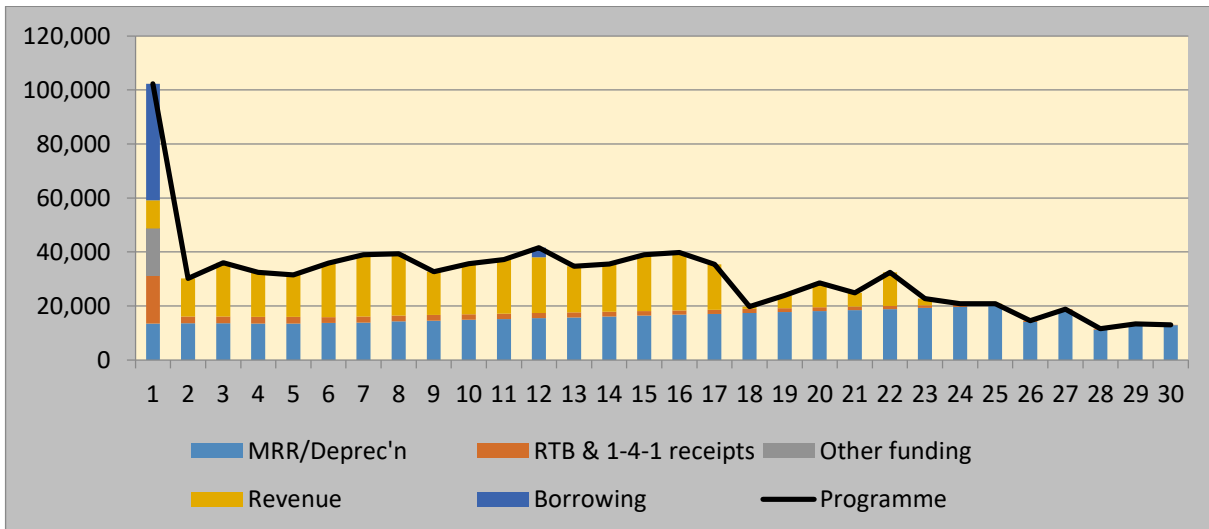
4. BUSINESS PLAN KEY HEADLINES

- 4.1 The HRA Business Plan in its current format presents a sustainable plan - see Appendix 1. With the current HRA reserves used to meet the investment required for the capital repairs programme. Figure 1 shows the projection of the reserves position over the plan period demonstrating a healthy outturn, risks to this outturn are highlighted in section 5.

Figure 1 Revenue Projection shows the years of the plan and the growth in reserves.



- 4.2 The plan is based on the assumptions and risks as set out in section 5 with expenditure based on CPI and rents of CPI +1% in the years 2022 to 2024 and thereafter CPI only.
- 4.3 The HRA capital programme in Year 1 (2021-2022) is based on the current budgeted plan of £26.7m any slippage from this will be carried forward into 2022-23. The capital programme for Year 2 of £22m is set out in section 5.7 below.
- 4.4 Borrowing in Year 1 only is assumed. Figure 2 provides an overview of the use of borrowing in Year 1 only and thereafter the projected ability of the programme to be met from within the HRA's own resources.



- 4.5 The opening HRA reserves are £27.6m and a minimum HRA reserve threshold level of £8.6m is set based on generally accepted the assumption best practice in the market of 10.5% of annual turnover.
- 4.6 Croydon benchmark to the outer London average costs and other key metrics are measured and shown in [Appendix 3](#)

5. BUSINESS PLAN KEY BASELINE ASSUMPTIONS

- 5.1 Key rate assumptions and comparatives to outer London averages used are set out in [Appendix 3](#)
- 5.2 **HRA Revenue**
The Council has assumed as per [Appendix 3](#) that rents will increase by CPI plus 1% and based on the assumption of RTB losses [Appendix 5](#) will provide rental income of £79m in Year 1 (2021-22) [Appendix 4](#).

Revenue expenditure is anticipated to increase largely due to inflationary factors. These key assumptions are used to set the below (Table 2) HRA Business Plan 5 Year Summary. All years Business Plan is shown in Appendix 1 HRA Business Plan

Table 2 5 Year Summary HRA Income and Expenditure Account

	2021-22	2022-23	2023-24	2024-25	2025-26
	£'000	£'000	£'000	£'000	£'000
Dwelling rents	77,626	82,438	84,852	87,032	88,399
Non-dwelling rents	1,781	1,852	1,889	1,927	1,966
Service charge income	6,026	6,064	6,185	6,309	6,435
Other income and contributions	3,690	3,763	3,839	3,915	3,994
Total income	89,123	94,117	96,765	99,183	100,794
Repairs & maintenance	13,437	13,799	14,044	14,293	14,547
Management (incl RRT)	40,404	39,453	40,242	41,047	41,868
Bad debts	750	765	860	882	896
Dwelling Depreciation	13,488	13,659	13,599	13,538	13,478
Debt management	149	149	149	149	149
Total costs	68,228	67,825	68,894	69,910	70,937
Net income from services	20,895	26,292	27,871	29,274	29,856
Interest payable	- 12,119	- 13,076	- 13,016	- 12,973	- 12,948
Interest income	-	-	-	-	-
Net income/expenditure before appropriations	8,776	13,216	14,855	16,300	16,908
Set aside for debt repayment	-	-	-	-	-
Revenue contributions to capital	- 10,501	- 14,059	- 20,003	- 16,410	- 15,568
Allocation to/from other reserves	-	-	-	-	-
Other appropriations	-	-	-	-	-
Net HRA Surplus/Deficit	- 1,725	- 844	- 5,148	- 110	1,340
HRA Balance brought forward	27,629	25,904	25,060	19,913	19,802
HRA surplus/(deficit)	- 1,725	- 844	- 5,148	- 110	1,340
HRA Balance carried forward	25,904	25,060	19,913	19,802	21,143

- 5.3 The Repairs and Maintenance budget of £13.4m is made up of responsive and cyclical repairs.
- 5.4 In response to the emphasis on compliance and fire safety an increase in the budgeted spend within the management costs for staffing with this expertise has been included.
- 5.5 Bad debt and voids are provided for within the plan on the basis of 1% and 1.5% respectively, see [Appendix 3](#) for the basis of the assumptions used. They are based on a percentage of rental income and at a prudent level.
- 5.6 The interest payable of £12m is based on the existing debt of £322.5million at interest rate of 2.65% (actual of 2.5%) and assumes an additional £43m in 2021-22. Thereafter debt remains constant. Section 6 Future Considerations, recognises the need to set prudential indicators for financing as well as debt and acquisitions policies.

5.7 HRA Capital and 22/23 Capital Programme

- 5.7.1 The long-term 30 year capital forecasts are based on the current status of the asset management database, which includes a significant provision for backlog expenditure which has been allocated over the next 15 years. Work is ongoing to ensure the accuracy of the database and will be backed up by commissioning an external stock condition sample survey to be uploaded to the new IT system. Coupled with the likely introduction later this year of the updated Decent Homes Standard the expenditure profile will change from that modelled in the plan.
- 5.7.2 Whilst, in overall terms, the expenditure over 30 years is in line with sector benchmarks it is possible that expenditure may be brought forward or delayed in conjunction with accessing delivery capacity. In addition further work is required to establish the costs for improving the energy efficiency of the stock to assist in meeting the Council's targets for carbon neutrality. The next iteration of the HRA business plan will incorporate the results of this work, the impact in terms of future borrowing requirements and the approach to defining HRA prudential borrowing limits.
- 5.7.3 It will align with the Asset Management strategy (due for release at the end of 2022) and will reflect the longer term direction for the management and maintenance of our assets.
- 5.7.4 The Council will deliver a capital programme that ensures that residents' homes are warm, dry, safe and hazard free. We will work with residents to consult on the work that we intend to carry out and include them in determining our future investment. Details of our Resident Engagement Strategy will be published in 2022.

The 2022-23 plan for capital investment is included in [Appendix 6](#). This sets out plans for £22,083,060 in stock investment plus an additional £1,624,700 in capitalisable cyclical expenditure. Cabinet is asked to recommend to Full Council that it approve this as an amendment to the Budget agreed on 8 March 2022 in respect of the HRA.

The programme will be geared to deliver for Croydon residents, stock that meets and reflects the current Decent Homes requirements and keeps pace with regulation and legislative updates.

5.8 HRA Reserves

Croydon has a healthy opening reserves position sets an opening balance at the start of the Business Plan at £27.6m. This reserve balance contributes towards funding any in-year risks and is set aside to support any one-off projects and investment that leads to efficiencies and/or delivery of a better service to residents of the Council

The year on year projected use of the HRA reserve over the next 5 years along with contributions towards the reserves balance is maintained.

- 5.9 The Planned Capital Programme will draw down from the Major Repairs Reserve within the HRA reserves to fund the works. The HRA is expected to maintain a minimum level of reserves £8.6m the basis for this is set out in [Appendix 3](#)
- 5.10 A development and acquisition policy is required. The current iteration of the business plan has no such programme assumed, however there are proposals for future activity included in [Appendix 7](#)
- 5.11 An opening debt balance of £322.5million, largely as a result of the 2012 legislation to make HRA self-financing. A debt repayment plan will also be modelled for future plans, [Appendix 7](#)
- 5.12 There is an assumed level of Right to Buy and stock loss of 13% over the 30 years of the plan. The details are set out in [Appendix 5](#). Use of RTB receipts are accounted for within capital. It is open to a Council to use those RTB receipts for HRA purposes, which is the assumption within this plan, but there is no obligation to do so.

6. FUTURE CONSIDERATIONS

- 6.1 The Housing Improvement Plan presented to Cabinet elsewhere on this agenda relies on a robust HRA business plan in order to identify that it can be resourced. There are a number of key considerations as follows:

6.2 Stock Condition Data

A detailed Stock Condition Database is a key element and driver for the expenditure within the plan. The Council is investing in a new IT system to make the data on which the stock condition assessments are based more comprehensive and reliable.

In addition to commissioning new stock condition surveys, improvements to the way in which we collect and analyse data from stock condition surveys will be implemented. Repair requests will be interfaced between the Council's housing system and repairs contractor. Planned works will be instructed through a planned works module and directly linked to the Council's financial system.

A number of condition surveys and reports have already been commissioned for our high rise blocks. These have been shared with residents and followed with a short and medium term investment programme.

6.3 An Asset Management Strategy

The HRA Business Plan will form the foundation of a new Asset Management Strategy that sets out the Council's overall approach to maintaining its housing stock over the next few years. This will set out how capital investment will be prioritised and directed, as well as addressing how use can be made of the borrowing headroom identified within the Business Plan – if the Council should choose to do so.

6.4 Future Provision & Regeneration

The Council needs to determine if and how it will acquire properties in the short, medium and long term. Finances, policies and procedures need to be put in place to ensure that any acquisitions are properly resourced both financially and in terms of staffing capacity/qualifications. Properties should be acquired in conjunction with specific housing needs and demand - both current and projected

Currently, new build properties are acquired via the Council's shared ownership of Brick by Brick. The remaining contracted sites are scheduled for completion in 2024. After this time, there is no arrangement or financial provision to build or acquire properties inside or outside the HRA

With an ageing stock and continual change in housing standards and needs, it is inevitable that some of the housing stock at some point will be unviable to repair. Where large proportions of this stock is situated on existing housing estates, the Council may decide that estate regeneration should be considered. In order to facilitate this, the Council needs to formally agree the strategy, processes, gateways and governance procedures in conjunction with a suitable resident offer.

6.5 Carbon Neutrality

The Council has a stated ambition to achieve carbon-neutrality by 2030. Residential housing stock currently accounts for a significant proportion of carbon emissions within the Borough. Accordingly, the investment set out in the Business Plan will have a key role to play in de-carbonising Council-owned housing. This can be achieved through retrofitting to deliver more energy-efficient buildings, low carbon heating solutions (such as ground source heat pumps) and other methods.

However, the full-cost of de-carbonising the Council's housing stock is likely to far exceed the investment set out in the Plan. Accordingly, the Council will need to access available grant funding and/or make use of HRA borrowing capacity in order to realise this ambition.

6.6 Changes to Legislation

There are a number of fundamental Government Policy decisions and potential legislative changes in process which will have a significant impact upon the HRA and future HRA Business Plan updates. This includes the review of Decent Homes standards and the social housing white paper. While the impact of the changes are not yet fully known there is within the capital investment programme spend a budget provision for the Council's best current assessment of what actions will be required

7. BUSINESS PLAN KEY RISKS

- 7.1 Long term future rent uncertainty – we have seen the impact of the 4 year rent freeze and any rent reductions will have an impact on the Business Plan.
- 7.2 Increase costs of repairs and major works. Overspends to budget occur which place an increased burden on the HRA. Although it should be noted that the plan is not wholly and contractually committed therefore the Council can control the level of spend within the plan.
- 7.3 Management options that are used to mitigate additional risks include annual updates to the business plan.
- 7.4 Further changes in government legislation are expected. The Hackitt review of building and fire safety has been published however the new legislation and statutory guidance it requires has been delayed and will need to be reflected in future revisions to the Business Plan.
- 7.5 Borrowing and interest rates. The Business Plan does not have a repayment of debt instead an assumption of refinancing of loans as they become due. While interest rates for borrowing remain at low levels this results in a lower cost to service the debt however this will require prudent management.
- 7.6 Prudential borrowing indicators are required as a result of the removal of the debt cap from the HRA. The Business Plan has a prudent position with 3 metrics showing there is future borrowing capacity however prior to any borrowing the indicators will be set
- 7.7 Sensitivity analysis has been carried out on the plan at mid-point Year 15 and final Year 30 see table 3.

A number of variations on inflation and other baseline assumptions have been flexed to predict the impact on the HRA reserves balance by the movement and the impact on the HRA debt levels.

For example the HRA reserves would drop to £11.35m with a repairs inflation of CPI +5% in years 2-5 and the HRA debt would increase to £422.84m in order to sustain the levels of repairs required.

Table 3 Sensitivity Table

Sensitivity	HRA Bal Yr 15	HRA Debt Yr 15	HRA Bal Yr 30	HRA Debt Yr 30
	£'m	£'m	£'m	£'m
Base	15.29	369.05	304.86	369.05
Repairs Inflation yrs 2-5 CPI+5%	11.35	422.84	236.71	432.59
Capital Inflation yrs 2-5 CPI+5%	11.35	502.48	195.14	528.64
Rents CPI Only yrs 3 & 4	11.35	391.10	296.08	394.60
Rent freeze from 2022-23	8.95	402.06	95.98	409.97
Voids & Bad Debts +1%	11.35	392.95	294.24	396.57
Long-term Loans +1%	14.69	369.82	319.70	369.82
Capital Expenditure +10%	11.35	419.59	285.53	426.93
Right to Buys +10%	14.87	368.47	336.07	368.47
Acquisitions of 50 per year, yrs 3-8 £300k per unit, 40% Subsidy at LAR	18.02	410.39	364.79	410.39
L/H Recharges 50%	14.09	371.79	336.34	371.79

8. FINANCIAL IMPLICATIONS

8.1 Finance comments have been provided throughout this report.

9. LEGAL CONSIDERATIONS

9.1 The Head of Litigation and Corporate Law comments on behalf of the Interim Director of Law and Governance and Deputy Monitoring Officer that the HRA consists of expenditure on Council-owned housing and there is a statutory requirement whereby the Council is obliged to keep its Housing Revenue Account ("HRA") separate from other housing activities in accordance with the Local Government and Housing Act 1989 (as amended) ("the 1989 Act"). In addition, there is a requirement not to allow cross-subsidy to or from, the Council's General Fund Resources.

9.2 The Council has a duty to disclose specified information pertaining to the HRA and its operation as set out The Housing Revenue Account (Accounting Practices) Directions 2016. The Directions provide that an authority shall disclose the information set out below in notes to its HRA:

9.2.1 the total balance sheet value of the land calculated in accordance with proper practices, houses and other property within the authority's HRA as at 1 April in the financial year, and the closing balance sheet value as at 31 March in the financial year of:

- a) Council dwellings
- b) Other land and buildings; and
- c) Vehicles, plant, furniture and equipment
- d) Infrastructure and community assets
- e) Assets under construction
- f) Surplus assets not held for sale

- g) Investment Properties
 - h) Assets held for Sale
- 9.1.2 The vacant possession value of dwellings, calculated in accordance with proper practices, within the authority's HRA as at 1 April in the financial year.
- 9.1.3 An explanation that the vacant possession value and balance sheet value of dwellings within the HRA show the economic cost of providing council housing at less than market rents
- 9.1.4 The value of, and an explanation of, any charge calculated in accordance with proper practices in respect of revenue expenditure funded from capital under statute (RECS) attributable to the HRA
- 9.1.5 The value of, and an explanation of, any impairment charges for the financial year in respect of land, houses and other property within the authority's HRA, calculated in accordance with proper practices.
- 9.1.5 A summary of total capital expenditure on land, houses and other property within the authority's HRA during the financial year, broken down according to the following sources of funding:
- (i) borrowing;
 - (ii) credit arrangements;
 - (iii) capital receipts;
 - (iv) revenue contributions;
 - (v) the Major Repairs Reserve;
- 9.1.6 A summary of total capital receipts from disposals of land, houses and other property within the authority's HRA during the financial year;
- 9.1.7 The total charge for depreciation, calculated in accordance with proper practices, for the land, houses or other property within the authority's HRA, and the charges for depreciation for:
- a) Council dwellings
 - b) Other land and buildings
 - c) Vehicles, plant, furniture and equipment
 - d) Infrastructure and community assets
 - e) Surplus assets not held for sale
- 9.2 The provision of housing accommodation is set out in Part II of the Housing Act 1985. Statutory requirements regarding keeping of a Housing Revenue Account (HRA) are contained in the Local Government and Housing Act 1989 ("Act"). The provisions include a duty, under Section 76 of the Act, to budget to prevent a debit balance on the HRA and to implement and review the budget. The Act places a duty on local housing authorities to: (i) to produce and make available for public inspection, an annual budget for their HRA, which avoids a deficit; (ii) to review and if necessary, revise that budget from time to time and (iii) to take all reasonably practical steps to avoid an end of year deficit.
- 9.3 On 10 November 2020 MHCLG published guidance on the operation of the Housing Revenue Account ring-fence. This guidance updated and replaced the

earlier Circular 8/95 published by the former Department of the Environment (DoE). It gives advice to local housing authorities in England on certain aspects of the HRA. This guidance highlights the need to be fair to both tenants and council taxpayers and that there should be a fair and transparent apportionment of costs between the HRA and General Fund.

- 9.4 The Localism Act 2011 contains provisions relating to housing finance in Sections 167 to 175. These provisions introduced a system of Council housing finance which ended the Housing Revenue Account subsidy system in England and replaced it with self- financing arrangements. Section 171 of the Localism Act 2011 empowered the Secretary of State to make provision relating to the level of indebtedness in relation to local housing authorities in England which keep a Housing Revenue Account.
- 9.5 Under Regulation 12 of the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 (as amended) local authorities are required to use Right To Buy capital receipts to pay the "poolable amount" to the Secretary of State, on a quarterly basis.
- 9.6 On 29th October 2018, HRA borrowing cap was abolished with immediate effect. As a result, local authorities with an HRA are able to borrow against their expected rental income, however this must be in line with the CIPFA Prudential Code. The latest version of the CIPFA Prudential Code is the 2021 edition.
- 9.7 It should be noted that if the Council wishes to dispose of land or property, or provide financial assistance in connection with housing (which includes disposal to any Council owned company) consent of the Secretary of State maybe required unless such disposals fall within the General Disposal Consents of Section 32 of the Housing Act 1985. Specific legal advice may be required in relation to any such proposals.
- 9.8 No specific legal advice has been sought or provided in relation to implementation of the proposals in either the 30 Year Business Plan or the Capital Programme. In seeking to implement and progress the proposals that form a part of the short, medium and long term arrangements pertaining to the 30 year HRA business plan and implementing the Capital programme 22/23 and associated matters, officers may need to seek separate legal advice regarding the nature and manner of that implementation and the implications arising from the chosen approach.
- 9.9 In respect of the Council's public sector equalities duties as detailed more fully in section 11 below, where approval of the 30 year business plan and HRA capital programme result in new policies or policy change the relevant service department will carry out and keep updated equality impact assessments to secure delivery of that duty and including such consultation as may be required.

Approved By: Sandra Herbert, Head of Litigation and Corporate Law on behalf of the Director of Law and Governance and Deputy Monitoring Officer.

10. HUMAN RESOURCES IMPACT

- 10.1 There are no immediate HR impacts or implications arising from this report

11. EQUALITIES IMPACT

- 11.1 Under the Public Sector Equality Duty of Equality Act 2010, decision makers must evidence consideration of any potential impacts of proposals on groups who share protected characteristics, before decisions are taken. This includes any decisions relating to how authorities act as employers; how they develop, evaluate and review policies; how they design, deliver and evaluate services, and also how they commission and procure services from others.
- 11.2 Section 149 of the Act requires public bodies to have due regard to the need to:
- Eliminate unlawful discrimination, harassment, victimisation and any other conduct prohibited by the Act;
 - Advance equality of opportunity between people who share a protected characteristic and people who do not share it; and
 - Foster good relations between people who share a protected characteristic and people who do not share it.
- 11.3 Protected characteristics defined by law include race and ethnicity, disability, sex, gender reassignment, age, sexual orientation, pregnancy and maternity, and religion or belief and marriage and Civil Partnership. The law now recognises gender identity along with gender reassignment.
- 11.4 Having due regard means there is a requirement to consciously address the three tenets of the Equality Duty within decision-making processes. By law, assessments must contain sufficient information to enable the local authority to show it has paid 'due regard' to the equalities duties; and identified methods for mitigating or avoiding adverse impact on people sharing protected characteristics. Where a decision is likely to result in detrimental impact on any group with a protected characteristic it must be justified objectively.
- 11.5 As a result, an overarching equality impact analysis has been undertaken in relation to the HRA 30 year business plan. Overall, given this plan is about investment in housing stock, there will likely be positive impacts for residents. However, the impact analysis has confirmed that the service does not have sufficient data on protected characteristics of Council tenants. This needs to be addressed in order for the service to understand what needs specific groups of tenants may have and to plan accordingly.
- 11.6 This has been recognised by the service and equalities data collection is a key workstream within the Housing Improvement Plan, and within the impact assessment mitigating actions as a result. This work will be a priority for the newly created Head of Policy & Performance role within the Housing directorate. This work is essential to ensure that the Council has a clearer understanding of our tenants and their individual needs and impacts. Further work is required on the detailed elements of the Housing Improvement Plan to ensure that activities and actions are inclusive to all residents. The Equality Programme Manager is supporting the service in this regard.

11.7 As the Housing Improvement Plan is developed and the HRA Business Plan is delivered, further equality impact assessments will be required for specific projects and actions. For example, new policies or policy or service changes are anticipated, and each proposal will be accompanied by an equality analysis which will inform the final proposal and its implementation, on a case by case basis made available at the time of decision.

Approved by Gavin Handford, Director of Policy, Programmes & Performance, on behalf of Denise McCausland, Equality Programme Manager

12. ENVIRONMENTAL IMPACT

12.1 The scope for this work impacting on carbon neutrality is set out at Paragraph 6.5 above.

13. CRIME AND DISORDER REDUCTION IMPACT

13.1 There are no crime and disorder implications arising from this report.

14. DATA PROTECTION IMPLICATIONS

a. WILL THE SUBJECT OF THE REPORT INVOLVE THE PROCESSING OF 'PERSONAL DATA'?

No

b. HAS A DATA PROTECTION IMPACT ASSESSMENT (DPIA) BEEN COMPLETED?

No

CONTACT OFFICER:

Guarnori, Orlagh, Head of Finance, Resources.

APPENDICES TO THIS REPORT

Appendix 1 HRA Business Plan – All Years (Excel document)

Appendix 2 Details of HRA Tenant type

Appendix 3 Business Plan – Key assumptions

Appendix 4 HRA Rental Income Budget

Appendix 5 Right to Buy

Appendix 6 Programme of Repairs of Existing Stock

Appendix 7 Acquisitions & Debt repayment and modelling

BACKGROUND PAPERS

None.

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Appendix 1 HRA Business Plan
LB Croydon HRA Business Plan 2021/22+
Base Version
HRA Summary

Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14
Financial Year	2021.22	2022.23	2023.24	2024.25	2025.26	2026.27	2027.28	2028.29	2029.30	2030.31	2031.32	2032.33	2033.34	2034.35
HRA 30 YEAR SUMMARY														
Dwelling rents	77,625,959	82,437,957	84,852,183	87,031,813	88,399,195	89,818,186	91,297,410	92,813,080	94,366,325	95,958,311	97,590,242	99,263,358	100,978,940	102,738,310
Non-dwelling rents	1,780,957	1,852,297	1,889,343	1,927,129	1,965,672	2,004,985	2,045,085	2,085,987	2,127,707	2,170,261	2,213,666	2,257,939	2,303,098	2,349,160
Service charge income	6,026,426	6,063,803	6,185,079	6,308,781	6,434,956	6,563,656	6,694,929	6,828,827	6,965,404	7,104,712	7,246,806	7,391,742	7,539,577	7,690,369
Other income and contributions	3,689,612	3,763,404	3,838,672	3,915,446	3,993,755	4,073,630	4,155,102	4,238,204	4,322,969	4,409,428	4,497,616	4,587,569	4,679,320	4,772,907
Total income	89,122,954	94,117,461	96,765,277	99,183,169	100,793,578	102,460,457	104,192,527	105,966,099	107,782,404	109,642,712	111,548,330	113,500,608	115,500,936	117,550,745
Repairs & maintenance	13,437,146	13,799,324	14,044,214	14,293,381	14,546,897	14,807,586	15,076,250	15,350,881	15,631,635	15,918,669	16,212,146	16,512,233	16,819,103	17,132,931
Management (incl RRT)	40,404,282	39,452,868	40,241,925	41,046,763	41,867,699	42,705,053	43,559,154	44,430,337	45,318,944	46,225,322	47,149,829	48,092,826	49,054,682	50,035,776
Bad debts	750,000	765,000	860,006	882,091	895,943	910,319	925,306	940,662	956,399	972,528	989,063	1,006,015	1,023,397	1,041,223
Dwelling Depreciation	13,488,000	13,659,206	13,598,780	13,538,355	13,477,929	13,696,126	13,919,755	14,313,574	14,599,845	14,891,842	15,189,679	15,493,472	15,803,342	16,119,409
Other Depreciation														
Debt management	149,000	149,000	149,000	149,000	149,000	149,000	149,000	149,000	149,000	149,000	149,000	149,000	149,000	149,000
Total costs	68,228,428	67,825,397	68,893,925	69,909,590	70,937,468	72,268,083	73,629,464	75,184,453	76,655,822	78,157,361	79,689,716	81,253,546	82,849,524	84,478,339
Net income from services	20,894,526	26,292,064	27,871,351	29,273,579	29,856,110	30,192,373	30,563,063	30,781,645	31,126,582	31,485,350	31,858,614	32,247,062	32,651,412	33,072,406
Interest payable	-12,118,754	-13,076,274	-13,016,162	-12,973,367	-12,947,712	-12,936,725	-12,885,207	-12,865,529	-12,876,196	-12,876,196	-12,876,196	-12,882,295	-12,985,846	-12,975,340
Interest income	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net income/expenditure before a	8,775,772	13,215,790	14,855,190	16,300,212	16,908,398	17,255,648	17,677,856	17,916,117	18,250,386	18,609,154	18,982,418	19,364,767	19,665,566	20,097,066
Set aside for debt repayment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Revenue contributions to capita	-10,500,772	-14,059,331	-20,003,010	-16,410,479	-15,568,185	-19,988,483	-22,944,569	-22,888,315	-16,048,788	-18,780,684	-20,131,727	-20,700,149	-17,098,550	-17,693,683
Allocation to/from other reserve	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other appropriations	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net HRA Surplus/Deficit	-1,725,000	-843,542	-5,147,820	-110,267	1,340,212	-2,732,834	-5,266,712	-4,972,198	2,201,598	-171,530	-1,149,309	-1,335,381	2,567,017	2,403,382
HRA Balance brought forward	27,629,000	25,904,000	25,060,458	19,912,638	19,802,371	21,142,584	18,409,749	13,143,037	8,170,839	10,372,437	10,200,907	9,051,598	7,716,217	10,283,234
HRA surplus/(deficit)	-1,725,000	-843,542	-5,147,820	-110,267	1,340,212	-2,732,834	-5,266,712	-4,972,198	2,201,598	-171,530	-1,149,309	-1,335,381	2,567,017	2,403,382
HRA Balance carried forward	25,904,000	25,060,458	19,912,638	19,802,371	21,142,584	18,409,749	13,143,037	8,170,839	10,372,437	10,200,907	9,051,598	7,716,217	10,283,234	12,686,616

15 2035.36	16 2036.37	17 2037.38	18 2038.39	19 2039.40	20 2040.41	21 2041.42	22 2042.43	23 2043.44	24 2044.45	25 2045.46	26 2046.47	27 2047.48	28 2048.49	29 2049.50	30 2050.51
104,542,829	106,393,903	108,292,983	110,241,562	112,241,185	114,293,441	116,399,970	118,562,465	120,782,670	123,062,383	125,403,459	127,807,812	130,277,411	132,814,292	135,420,548	138,098,341
2,396,143	2,444,066	2,492,947	2,542,806	2,593,662	2,645,536	2,698,446	2,752,415	2,807,464	2,863,613	2,920,885	2,979,303	3,038,889	3,099,667	3,161,660	3,224,893
7,844,176	8,001,059	8,161,081	8,324,302	8,490,788	8,660,604	8,833,816	9,010,492	9,190,702	9,374,516	9,562,007	9,753,247	9,948,312	10,147,278	10,350,224	10,557,228
4,868,365	4,965,732	5,065,047	5,166,348	5,269,674	5,375,068	5,482,569	5,592,221	5,704,065	5,818,146	5,934,509	6,053,200	6,174,264	6,297,749	6,423,704	6,552,178
119,651,513	121,804,761	124,012,057	126,275,019	128,595,310	130,974,649	133,414,802	135,917,594	138,484,901	141,118,659	143,820,861	146,593,561	149,438,876	152,358,985	155,356,135	158,432,640
17,453,900	17,782,195	18,118,007	18,461,535	18,812,979	19,172,548	19,540,454	19,916,918	20,302,165	20,696,426	21,099,938	21,512,947	21,935,704	22,368,466	22,811,499	23,265,075
51,036,491	52,057,221	53,098,365	54,160,333	55,243,539	56,348,410	57,475,378	58,624,886	59,797,384	60,993,331	62,213,198	63,457,462	64,726,611	66,021,143	67,341,566	68,688,398
1,059,507	1,078,263	1,097,505	1,117,249	1,137,511	1,158,306	1,179,652	1,201,565	1,224,062	1,247,164	1,270,887	1,295,252	1,320,278	1,345,986	1,372,398	1,399,535
16,441,797	16,770,633	17,106,045	17,448,166	17,797,130	18,153,072	18,516,134	18,886,456	19,264,185	19,649,469	20,042,458	20,443,308	20,852,174	21,269,217	21,694,602	22,128,494
149,000	149,000	149,000	149,000	149,000	149,000	149,000	149,000	149,000	149,000	149,000	149,000	149,000	149,000	149,000	149,000
86,140,695	87,837,311	89,568,923	91,336,283	93,140,159	94,981,336	96,860,618	98,778,825	100,736,796	102,735,390	104,775,482	106,857,969	108,983,767	111,153,813	113,369,065	115,630,502
33,510,818	33,967,449	34,443,134	34,938,735	35,455,151	35,993,312	36,554,184	37,138,768	37,748,104	38,383,269	39,045,379	39,735,592	40,455,109	41,205,172	41,987,070	42,802,138
-12,974,515	-12,973,089	-12,968,995	-12,968,995	-12,969,736	-12,974,222	-13,257,226	-13,534,680	-13,770,721	-14,037,115	-14,037,115	-14,040,445	-14,047,545	-14,051,309	-14,051,309	-14,076,542
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20,536,303	20,994,361	21,474,139	21,969,740	22,485,415	23,019,090	23,296,958	23,604,089	23,977,383	24,346,154	25,008,264	25,695,147	26,407,564	27,153,863	27,935,761	28,725,596
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-20,912,497	-21,478,747	-16,818,225	-796,180	-4,743,490	-9,114,628	-5,099,562	-12,454,059	-2,553,138	-371,975	-114,675	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-376,194	-484,386	4,655,914	21,173,561	17,741,926	13,904,462	18,197,396	11,150,030	21,424,245	23,974,179	24,893,589	25,695,147	26,407,564	27,153,863	27,935,761	28,725,596
12,686,616	12,310,422	11,826,037	16,481,951	37,655,511	55,397,437	69,301,899	87,499,295	98,649,325	120,073,570	144,047,750	168,941,339	194,636,486	221,044,050	248,197,913	276,133,674
-376,194	-484,386	4,655,914	21,173,561	17,741,926	13,904,462	18,197,396	11,150,030	21,424,245	23,974,179	24,893,589	25,695,147	26,407,564	27,153,863	27,935,761	28,725,596
12,310,422	11,826,037	16,481,951	37,655,511	55,397,437	69,301,899	87,499,295	98,649,325	120,073,570	144,047,750	168,941,339	194,636,486	221,044,050	248,197,913	276,133,674	304,859,270

Appendix 2 Details of HRA Tenant type

Table 1 Rent/Tenure Type

Asset Type	Rent/Tenure Type					Grand Total
	General Rent	Leased & Managed Properties	Leaseholders	Serviced Tenancies	Vacant Pending Demolition	
Blocks of Flats	1,128	3				1,131
Caravan Plots	19					19
Caravan Sites	1					1
Dwellings	13,424	339	2,507	12		16,282
Garages	2,533				94	2,627
Garage Blocks	104					104
Parking Spaces	107					107
Playgrounds	21					21
Grand Total	17,337	342	2,507	12	94	20,292

Notes to the above:

General social rent includes general needs, sheltered and extra care schemes. Leasehold costs are paid on behalf of leaseholds and then recovered via service charge billing (in arrears).

Within the HRA are a number of other provisions such as shared ownership, affordable rent and other rents such as community and commercial provisions.

The HRA also supports and manages the provision of statutory required services such as temporary and emergency accommodation and traveler sites, with some provision being made within HRA dwellings/assets along with other non-HRA private leasing schemes.

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Appendix 3 Business Plan – Key assumptions & Benchmark to outer London

	Assumption	Notes
Dwelling Rent	CPI + 1% Increase in rents from 2022 to 2024 and CPI only thereafter	
Void rates	2%	
Service Charges	CPI + 1% Increase in rents from 2022 to 2024-25 and CPI + 0.5% increases from 2025-26	Full service charge review to be carried out in 2022
Non dwelling rents	CPI + 1% Increase in rents from 2022 to 2024 and CPI only thereafter	
Garage Rents	CPI + 1% Increase in rents from 2022 to 2024 and CPI only thereafter	Review of long term void garages required with demolitions and infills decisions in 2022
Major Works Leaseholder Contributions	Linked to Capital Programme	
Repairs and Maintenance Costs	RPI increases	
Heating and hot water charges	RPI increases	
Interest rate on borrowings	2.65% on External Borrowing Year 12 onwards 3.5%	
Depreciation	Straight Line Basis over life of Assets	

Other Assumptions:

HRA Bad Debt Provision:

The Plan provision for bad debts is calculated based on a percentage of rental income to reflect rent increases, resulting in greater levels of provision. The provision rate of 1% in Year 1 is used and 1% thereafter is based on the current actual debt recovery.

HRA Voids:

The Plan provision for Voids is calculated based on a percentage of rental income to reflect rent increases. The provision rate of 1.5% is based on the current void rate and for prudence remains at 1.5% in each of the following years.

Garage voids further review of the garages that are long term void will be carried out in 2022 with a view to decisions on demolition and use of the space for parking bays to be considered.

Other long term voids are reviewed as part of the overall stock analysis

Major Repairs Reserve

The Business Plan assumes that any existing components beyond their theoretical lifespan are considered as backlog and due to be replaced on a comparable basis

The HRA has prior year reserves, these funds will be used if required.

The HRA does not go below the pre-set minimum balance of £8.6million (inflated on an annual basis) in any year of the plan. The overall trajectory of revenue reserves is however upwards towards the end of the 30-year term.

The Minimum HRA Balance is based on a 10.5% annual turnover and will allow for 1.5 months of total operating expenditure. It assumes a base cover of £642 per unit

Outer London Borough Benchmarks (14 out of 15)

Metric	Croydon 2020.21	Outer London 2020.21 Average
Rented Properties	13,393	9,521
Gross Management per unit	£3,182	£2,726
Net Management (less service charges) per unit	£2,360	£1,910
Repairs per unit	£762	£1,116
Gross Management and Repairs per unit	£3,944	£3,842
Depreciation per unit	£903	£1,206
Average Rent (52 week basis)	£106.24	£106.40
Other (non-Service Charge) Income per unit	£110	£348
Operating Surplus per unit	£1,760	£1,412
Operating Margin	26.6%	21.9%
Debt per unit	£26,429	£18,740
Interest per unit	£904	£807
Interest Rate	3.42%	4.31%
Reserves per unit	£2,063	£2,313
Existing Use Value per unit	£76,658	£86,887
Interest Cover Ratio	1.95	1.75
Loan to Value	35%	22%
Debt:Turnover	4.0	2.9

Appendix 4 HRA Rental Income Budget

HRA Rental Income Budget:

The Housing Revenue Account (HRA) is a ring-fenced account used to manage Income and costs associated with managing the Council's owned housing stock and related assets which includes shops and garages on council housing estates. It is funded primarily from tenants' rents and service charges.

An average social rents are taken as the basis for the report, Table 2 sets out the weekly actual social rent charges. The average rent as agreed by Cabinet (7 February 2022 meeting) increased by 4.1% for the 2022-23 year. The business plan is based on the assumption of 13,432 properties and assumes a CPI & 1% thereafter to April 2024 and CPI only for the remainder of the plan.

Table 3 shows the impact of the rental increase on additional income. The use of the revenue income to fund the contributions to capital for major repairs is set out in Appendix 6 of this report. Table 3 sets out the total budgeted income to the HRA from rents and other charges for 2022-23.

Table 2 Social Rents p/w 2022-23

Bedroom Size	Average rent 2021-22 - £ p/w	Average rent 2022-23 with Increase - £ p/w	Increase - £ p/w
0 Bedsit	77.11	80.27	3.16
1	92.89	96.70	3.81
2	110.88	115.42	4.54
3	133.02	138.47	5.45

Table 3 Summary of Housing Rent Budgets for 2022-23

Type of Rent/Charge	Rents for 2022-23 with 4.1% Increase £'s	Rents for 2021-22 (as at Apr 21) £'s	Additional Income
Housing Dwelling Rents	£78,662,349	£75,250,856	£3,411,493
Housing Service Charge	£4,352,429	£4,154,111	£198,318
Parking Space Rents	£39,940	£38,367	£1,573
Garage Rents	£1,827,580	£1,756,726	£70,854
Heating Charges	£551,592	£509,304	£42,287
	£85,433,889	£81,709,365	£3,724,525

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Appendix 5 Right to Buy property losses

HRA Right to Buy Receipts:

The Plan has an opening assumption of 13,432 properties and assumes an annual loss of 60 properties through right to buy for each of the remaining years. That results in a 13% stock loss over the 30 years. No other stock losses are modelled in the plan.

Although there are a total of 280 properties are forecast to be acquired by the HRA within the current financial year 2021-22 no further acquisitions have been assumed.

The Plan has used the audited actual returns submitted to the department. The opening balance on reserves of RTB receipts is £14.5m. Table 4 sets out the impact of the assumption of continued sales through RTB.

In April 2021 the regulations on the use of RTB receipts were updated, there is now a 5 year window available rather than 3 under which to use the allowable receipts. The Plan allows for the legislation changes and Table 5 sets out the impact and the need for an acquisition policy to be implemented by 2027-28 in order to avoid making a return of unused receipts to Treasury.

Table 4 Assumed Reserves

1-4-1 Reserve	Actuals	Projected	Projected	Projected
	2020-21	2021-22	2022-23	2023-24
Opening Balance	11,685,942	14,491,401	11,503,653	16,969,219
Additions	2,805,459	5,289,553	5,465,566	5,645,365
Assumed Usage	-	8,277,300		
Closing Balance	14,491,401	11,503,653	16,969,219	22,614,585

Table 5 Assumed Receipts v Spend

Receipts v Spend	Projected	Projected	Projected	Projected	Projected	Projected	Projected
	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
Total Receipts in reckonable Year	24,786,513	33,605,814	42,124,698	47,327,490	53,879,729	59,169,281	64,634,847
30%/40% of Relevant Expenditure	62,047,103	62,047,103	62,047,103	62,047,103	62,047,103	62,047,103	62,047,103
Refundable to Treasury (Excluding Interest)	0	0	0	0	0	0	2,587,745

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Appendix 6 Programme of Repairs of existing stock

Table 8 2022/23 Capital Programme

Work Type	Budget
General Building Works	£8,368,060
Electrical Works	£3,390,000
Mechanical Works	£1,600,000
Lift Works	£465,000
Window	£3,000,000
Compliance & Fire Safety	£2,310,000
Staffing	£1,800,000
Other	£1,150,000
TOTAL	£22,083,060
Cyclical	£1,624,700

Repairs of existing stock:

The council has procured a new housing database, which will combine the existing housing and asset management database into one software solution. In addition, the council has procured several additional modules and interfaces which will not only assist in linking and reporting across key services but will both provide direct and indirect efficiencies. The works outlined in **Table 8 2022/23 Capital Programme** will be reviewed on a rolling programme and maintained.

Stock data collection in principle will remain the same but the collecting and reporting net will be cast wider, with greater visibility for all.

Repair requests will be interfaced between the council's housing system and repair partnering contractor with almost "real time" correlation. Planned works will be instructed through the planned works module and directly linked to the council's financial system.

An overarching reporting tool will sit alongside compliance, servicing and health & safety modules.

Compliance:

Within the 2022-23 HRA budget is an assumed investment in the employee's costs and specifically compliance. The intention is to enhance the capacity of the team which will then ensure that within the HRA Business Plan there is sufficient resilience built in to allow for changes in legislation and requirements.

The Building Safety Bill is proposed to set out new and enhanced regulatory regimes for building safety and construction products, and make provision for residents to have a stronger voice in the new system. The Bill is proposed to take forward all of the recommendations resulting from the Hackett Review of Building Safety in an enhanced safety framework for higher risk residential buildings.

The Fire Safety Act amends the Regulatory Reform (Fire Safety Order) 2005 ("The

2005 Order”). The 2005 Order requires a responsible person (generally, the owner, occupier or managing agent) to undertake, and review regularly, a fire risk assessment of all non-domestic premises, including the non-domestic parts of multi-occupied residential buildings. Following amendment, the 2005 Order now covers situations where a building contains two or more sets of domestic premises, and makes the 2005 Order applicable to the building's structure and external walls and any common parts; all doors between the domestic premises and common parts and the reference to external walls includes doors or windows in those walls, and anything attached to the exterior of those walls (including balconies). The fire safety provisions in the Building Safety Bill are proposed to apply to all premises regulated under the 2005 Order in England and Wales apart from two provisions which have a more specific application:

- Responsible Persons for buildings containing two or more sets of domestic premises must provide residents with relevant and comprehensible information about relevant fire safety matters; and,
- The provision that requires Responsible persons to take reasonable steps to ascertain if there is an Accountable Person in relation to the premises and co-operate with them to enable them to carry out their duties under the Bill applies to higher-risk buildings in England only

Of particular importance to the Council will be the statutory definition of Accountable Person which is to be introduced by the Bill for occupied high-rise residential buildings. Accountable persons will have legal requirements for ensuring that the fire and structural safety of their buildings are being properly managed. Accountable Persons are to include landlords and freeholders who are in charge of repairing the building. They could be an individual, a partnership or corporate body.

All occupied higher-risk buildings will be required to have at least one clearly identifiable Accountable Person, known as the Principal Accountable Person, who is responsible for ensuring that fire and structural safety is being properly managed for the whole building.

Appendix 7 Acquisitions and Debt Repayment

An acquisitions policy is recommended to be put in place to ensure that the Housing Authority is making appropriate use of the retained Right to Buy (“RTB”) Receipts in accordance with the amended terms of the Retention Agreements concluded between the Secretary of State and authorities under section 11(6) of the Local Government Act 2003 to enable them to retain RTB receipts, the statutory guidance issued by the Secretary of State in relation the retained RTB receipts and the amendments to the Local Authorities (Capital Finance and Accounting) Regulations 2003 that came into force on 30 June 2021. The changes to the use of RTB receipts allows the Housing authority to use the receipts, subject to the Acquisition Cap in force on 1 April 2022 and phased in over 2022-23 to 2024-25, to fund the full costs of acquisitions on:

- Homes for social or affordable rent: which is low cost rental accommodation that is not accommodation to which the Rent Policy Statement does not apply.
- Homes for shared ownership sale: The construction or acquisition of a dwelling for the purposes of granting a shared ownership lease to a person whose needs are not adequately served by the commercial housing market where the premium (which is a portion value of the market value of that dwelling) does not exceed 75% of the market value of the dwelling
- Homes for sale as First Homes: “First Home” means a dwelling which is disposed of as a freehold or (in the case of a flat only) as a leasehold property:
 - (a) to a first-time buyer as defined by paragraph 6 of Schedule 6ZA to the Finance Act 2003,
 - (b) at a sale price that is at least 30% below open market value,
 - (c) at a sale price that does not exceed £420,000 if it is situated in Greater London or £250,000 if situated elsewhere or such other amount as may be published from time to time by the Secretary of State, and
 - (d) subject to a condition restricting resale other than as a First Home.

Acquisitions Cap: The cap will come into effect from 1 April 2022. From that point it will prohibit more than 50% of RTB replacements being delivered as acquisitions in financial year 2022-2023. That threshold will reduce progressively over the following two years from 50% to 30%, as set out below:

2021-2022	No cap
2022-2023	50% cap
2023-2024	40% cap
2024-2025 onwards	30% cap

The first 20 units of delivery in each year will be excluded from the cap for all local authorities. Local authorities will still be allowed to acquire properties above the cap, but they will not be able to use retained additional receipts to do so. Some types of acquisitions which still result in the authority contributing to net supply are exempt from the cap. Acquisitions of new build from a local authority’s own housing company or arm’s-length management organisation (ALMO) or from regeneration projects that contribute to net supply are exempt. Acquisitions of new build from a private developer are not exempt. If an authority exceeds the cap, it will be in breach of its Retention Agreement with the Secretary of State.

It was noted at March Cabinet 2021 within the report setting out Croydon's General Fund and HRA budget that: *'No new capital schemes will be added to the PROGRAMME without a business case being approved, a report being submitted to cabinet and then the funds will be released subject to the revenue costs of any scheme being affordable, this applies to both General Fund and HRA capital schemes'*

Debt Repayment:

The HRA became self-financing and took on initial debt relating to existing Stock. Originally an additional debt was restricted by a borrowing cap which was lifted in April 2019. The Plan has an opening debt position of £322.6m

A policy is required as to whether repayment of debt should be provided for or whether the debt refinancing only will be pursued. This has not been directly addressed in this iteration of the Plan, but will form a future piece of work to be done in conjunction with the Council's wider Treasury management strategy. While there is a requirement of 4% debt repayment in the general fund there is no requirement in the HRA. There is however potential for debt repayment if the plan is sufficiently stocked with new acquisitions which are profit generating.

The overall level of reserves is positive at the end of the 30 year term highlighting that the plan generates sufficient revenue to meet all its obligations (but could not fully repay the full value of the HRA debt outstanding if the council so wished). This combined balance is projected at c£65m by year 30.

The proposition within this analysis is that, whilst there is theoretically now no limit to borrowing within the HRA, the existing asset and operating base generates a net income stream that does offer a logical limit on sustainable and prudential borrowing levels. In setting out its investment strategy, the council therefore needs to consider how it will take decisions on whether to invest, how to fund, the extent of new borrowing, and determine a framework within which decisions will be taken for the business plan overall, within the medium term financial strategy and within successive budget rounds

REPORT TO:	CABINET 21 March 2022
SUBJECT:	Equality Annual Report 2022
LEAD OFFICER:	Katherine Kerswell, Chief Executive Gavin Handford, Director of Policy, Programmes & Performance
CABINET MEMBER:	Councillor Manju Shahul-Hameed, Cabinet Member for Communities, Safety & Business Recovery
WARDS:	All

SUMMARY OF REPORT:

This is the annual report against our equality objectives, as set out in our Equality Strategy for 2020-24.

The Equality Strategy provides a framework for our equality objectives, what we want to achieve, actions we will take to tackle and address inequality and how we will measure our progress. It sets out how the Council intends to meet its requirements under the Equality Act 2010 and associated Public Sector Equality Duty. The aim is to tackle all forms of inequalities in the community and in the way we carry out our work, providing examples for organisations working in our local area.

The report outlines the progress regarding Equality Strategy 2020 -2024. It also highlights achievements that we have made towards equality along with our new governance arrangements and future plans.

COUNCIL PRIORITIES 2020-2024

The Council has adopted an Equality Strategy for 2020-2024. This strategy sets out our vision that Croydon is a place of opportunity where everyone can belong, addressing the needs and aspirations of all those who live and work in the borough.

A range of objectives and actions are set out in the strategy under four priorities:

- The Council addresses social inequities as a community leader and employer
- We work with residents to better understand our communities
- Use partnerships to improve access and meet individual needs as they arise
- People in Croydon are supported to be in good health

FINANCIAL IMPACT:

There are no direct financial impacts arising from this report.

The Leader of the Council has delegated to the Cabinet the power to make the decisions set out below:

RECOMMENDATIONS:

- i. That the Annual Equality report be noted.

1. INTRODUCTION

- 1.1 The Equality Annual Report 2021 has been produced at a turbulent time for Croydon Council. Like many local authorities, Croydon Council is still operating in the wake of the pandemic. In addition to experiencing turbulence with regard to continued financial challenges and the formation of a new permanent Corporate Management Team.
- 1.2 We are proud that despite several organisational challenges we have maintained our focus on viewing equality as an organisational priority. We have escalated our equality plans and increased our focus on our desire to improve the lived experience for both our community and our employees.
- 1.3 We have worked with our community partners to develop the Croydon George Floyd Race Matters Pledge and the Croydon Equalities Pledge. We have developed the pledges as a standard that we will role model and also encourage Croydon businesses, community and voluntary organisations and Croydon businesses to adopt. We will also encourage our suppliers to adopt this standard. We look forward to the launch of the Equalities Pledge on 8 March 2022 – International Women’s Day and the launch of the George Floyd Race Matters Pledge on 25 May 2022, the second anniversary of George Floyd’s Murder.
- 1.4 We are also promoting equality within the organisation through our Equality, Diversity and Inclusion (EDI) Internal Board. The EDI Board is responsible for both the equality strategy and the cultural change strategy. It is co-chaired by the Chief Executive and the Head of Learning and Organisational Development. Its membership spans all directorates of the Council along with the Chairs of Staff Networks, Cultural Ambassadors and Guardians.
- 1.5 We will also establish a Cabinet Advisory Group for Equality, Diversity and Inclusion (EDI). This group will monitor progress regarding equality from a Leadership perspective.
- 1.6 We have also undertaken an Equality project in the Children, Families and Education directorate. We plan to cascade the recommendations identified throughout the organisation.

1.7 The Equality Annual Report highlights the achievements that we have made in our Equality Strategy 2020-2024. It also identifies the actions that we will incorporate into our plans in the future.

1.8 The Equality Annual Report is attached as an appendix to this cover report.

2. CONSULTATION

2.1 We have continued to listen to our Croydon community and our employees and have heard the message that those affected by inequalities require actions not words.

2.2 We have made this statement our strapline for our equality pledge. It will also be the tool by which we will measure our progress.

3. REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

3.1 The Cabinet is recommended to note the Annual Equality Report. This demonstrates

4. FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

4.1 There are no direct financial implications arising from this report.

4.2 In accordance with the Council's policies and procedures all key decisions, including financial decisions, must be informed by an Equality Impact Assessment. This ensures that the Council gives full consideration to any equality implications prior to any decisions being taken, uses this to inform the decision and identifies any mitigating action necessary.

4.3 Approved by: Nish Popat, Interim Head of Corporate Finance

5. LEGAL CONSIDERATIONS

5.1 The Head of Litigation and Corporate Law comments on behalf of the interim Director of Legal Services that the Equality Act 2010 (Specific Duties) Regulations 2011 sets out that the Council must publish information to demonstrate its compliance with the duty imposed by section 149(1) of the Equality Act 2010, not later than 31st January 2012; and subsequently at intervals of not greater than one year beginning with the date of last publication. The information which the Council publishes must include, in particular, information relating to persons who share a relevant protected characteristic who are— (a) its employees; (b) other persons affected by its policies and practices.

- 5.2 Section 149(1) (a) to (c) sets out the public sector equality duty with which the Council is required to comply. A public authority must, in the exercise of its functions, have due regard to the need to— (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act; (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- 5.3 In addition, the Council is required to publish one or more objectives it thinks it should achieve to do any of the things mentioned in paragraphs (a) to (c) of subsection (1) of section 149 of the Act referenced above.
- 5.4 The objectives must be published—not later than 6th April 2012; and subsequently at intervals of not greater than four years beginning with the date of last publication.
- 5.5 An objective published by a public authority in compliance with paragraph (1) must be specific and measurable and must be published in such a manner that the information is accessible to the public.
- 5.6 The report and recommendations represent the Council's annual report against our equality objectives which seek to demonstrate compliance with the Council's equalities obligations.
- 5.7 Approved by: Sandra Herbert, Head of Litigation and Corporate Law on behalf of the interim Director of Legal Services and Deputy Monitoring Officer

6. HUMAN RESOURCES IMPACT

- 6.1 The development, consideration and effective implementation of tangible workforce EDI improvements are essential to developing an inclusive workforce culture, enhancing employee engagement, and ensuring fair, good quality, accessible services for our residents and service users. The annual equality report and the Council's EDI Control Board are essential mechanisms to oversee, support and monitor these key strategic aims. The details are clearly set out in the body of the main body of the annual equalities report.
- 6.2 Approved by: Dean Shoesmith, Chief People Officer

7. EQUALITIES IMPACT

- 7.1 The Council has adopted an Equality Strategy for 2020-2024. This strategy sets out our vision that Croydon is a place of opportunity where everyone can belong, addressing the needs and aspirations of all those who live and work in the borough. A range of objectives and actions are set out in the strategy under four priorities.

- 7.2 The Equality Strategy provides a framework for our equality objectives, what we want to achieve, actions we will take to tackle and address inequality and how we will measure our progress. It sets out how the Council intends to meet its requirements under the Equality Act 2010 and associated Public Sector Equality Duty. The aim is to tackle all forms of inequalities in the community and in the way we carry out our work, providing examples for organisations working in our local area.
- 7.3 The report outlines the progress regarding Equality Strategy 2020 -2024. It also highlights achievements that we have made towards equality along with our new governance arrangements and future plans.
- 7.4 Approved by: Gavin Handford, Director of Policy, Programmes & Performance on behalf of Denise McCausland, Equality Programme Manager

8. CRIME AND DISORDER REDUCTION IMPACT

- 8.1 Within the Equality Strategy there is an outcome to address social inequities as a community leader and an employer. This highlights our aspiration for Croydon to be safe, welcoming and inclusive.
- 8.2 The Council has previously developed an anti hate crime pledge and has approved equality and race pledges to enhance this.
- 8.3 The Community Safety Strategy 2022-24 includes a priority to strengthen community resilience, offer trauma informed services, focusing on Hate Crime, and build trust in the partnership.
- 8.4 Our two violence reduction priorities are violence against women and girls and violence against young people, both of which target specific groups and communities. Through the Community Safety Strategy we will work to decrease the frequency and harm caused by these forms of violence, which will reduce inequality and disproportionality in the borough
- 8.5 Approved by: Krisitian Aspinall, Director of Culture & Community Safety

9. DATA PROTECTION IMPLICATIONS

- 9.1 **WILL THE SUBJECT OF THE REPORT INVOLVE THE PROCESSING OF 'PERSONAL DATA'?**

NO

- 9.2 **HAS A DATA PROTECTION IMPACT ASSESSMENT (DPIA) BEEN COMPLETED?**

NO

Cabinet & Executive Template

9.3 The Director of Policy, Programmes & Performance comments that there are no direct data protection implications arising from this report. Where services collect personal data in support of improving equality outcomes, they will follow data protection requirements and complete a DPIA.

9.4 Approved by: Gavin Handford, Director of Policy, Programmes & Performance

CONTACT OFFICER: Denise McCausland, Equality Programme Manager

APPENDICES TO THIS REPORT:

Annual Equality Report

BACKGROUND DOCUMENTS – LOCAL GOVERNMENT ACT 1972

None

Croydon's Annual Equality Report 2022

Foreword

As the Cabinet Member for Communities, Safety and Business Recovery, I am pleased to introduce the annual progress report on the Council's Equality Strategy 2020-2024 which sets out the Council's equality objectives and latest analysis and action on the Council's workforce profile and gender pay gap.

Equality and inclusion is the very foundation upon which we strive to ensure residents are treated fairly and equitably by the Council and its service providers, giving individuals the opportunity to be who they are and achieve the successes they aspire to. Therefore, we have taken steps to promote understanding, tackle prejudice and remove or minimise disadvantage.

The Council's Equality Strategy 2020-2024, provides a detailed insight into our ongoing commitment to equality, set out in one place our equality objectives and other arrangements for embedding equality into everything we do and, perhaps most importantly, set out where we must improve.

In response to George Floyd's murder, the Council lit up the Town Hall on 2 June 2020, as a gesture of solidarity. In addition, on 4 June 2020, approximately one hundred people took the knee outside of Croydon Town Hall to show solidarity as a community. Many organisations made promises to improve the lives of those affected and showed other gestures of solidarity. The Council also made a commitment to improve the lived experiences of the African, African Caribbean and other communities of African heritage. We are proud that we followed through on this commitment and have developed both an Equalities Pledge and a George Floyd Race Matters Pledge. Both pledges are detailed in this report. We acknowledge that racism remains a very real issue in the UK and in Croydon, we are committed to a zero-tolerance approach to racism and other forms of discrimination both within the Council and in our community.

The Equality strategy was developed during a period of great change for Croydon. Despite financial challenges, we have committed to continue to support our staff and residents and

use our resources, and work with our partners, to achieve the outcomes detailed in this report.

Building on our last report and work carried out since 2021, this progress report provides a detailed insight into our ongoing commitment to equality. It highlights our achievements in relation to our equalities performance indicators and sets out examples through a series of case studies that describe the different ways the council is seeking to ensure that our services are fair, inclusive and accessible to all our residents and support good equalities practice with regard to our employees.

Equality and diversity, is at the heart of everything we do as a Council from the services we deliver, to the money we spend and to the people we hire. One of our main goals is that Croydon reaches the highest standards of excellence in equality and diversity. We are proud of the diversity of the Borough which makes it a great place to live and work. We aspire that it becomes stronger and more equitable where no community is held back. Hence, we are working collaboratively with partners across public, private, and voluntary sectors to make this a reality. At all levels, the council should reflect the diversity of the Borough, implement equality and inclusion in everything we do, and provide community leadership to inspire and support our Croydon partners to share our goals.

This annual report therefore highlights some of the Council's significant efforts over the previous year to incorporate equality and diversity throughout the organisation. Given our level of ambition, we believe much work is still in progress to achieve our goals. However, this report highlights significant progress on our equalities performance indicators and lays out a series of case studies that demonstrate the various ways the Council is working to ensure that our services are fair, inclusive, and accessible to our citizens and employees.

We plan to continuously assess and improve our performance, working closely with stakeholders and exploring strategic partnerships that will help the Council to meet our equality outcomes.

Councillor Manju Shahul-Hameed, Cabinet Member for Communities, Safety and Business Recovery

Highlights of our equality achievements

- **Equality pledges:**

Following two consultations in July – August 2021 and October – November 2021 we developed two pledges, the Equalities Pledge and The George Floyd Race Matters Pledge. The purpose of both pledges was to engender a societal change in the borough and cultural change at the Council, other Croydon places of employment and community and voluntary groups. The Equalities Pledge will be launched on 8 March 2022- International Women’s Day. The George Floyd Race Matters Pledge will be launched on 25 May 2022, the second anniversary of his brutal murder.

- **Gender equality:**

International Women’s Day 2021, National awareness days, Women Career Progression Talks, Coffee morning spotlight series, Menopause Support Groups, Menopause Tea talk, Mentorship Programmes, Supporting the local Violence Against Women and Girls (VAWG) work, and a host of other initiatives are allowing promote equality and social welfare our female work force.

- **Children’s Race Equality Review Project:**

We held a race equality review to investigate historical claims of race discrimination and racial disparity in the Children’s Families and Education Directorate. The first of its kind at the Council.

- **Safe Space Tea Talks:**

We held a series of Tea Break meetings with Staff Network groups and the Corporate Management Teams. The purpose of these meetings was to facilitate often uncomfortable conversations. This model was based on good practice identified from Race Equality Matters.

- **A Guardians’ programme**

We developed a Guardian’s Programme, aimed at giving employees a safe space to talk about issues of concern relating to the organisational culture, bullying or other forms of inappropriate behaviour as well as signposting help and support for staff on other issues such as bereavement and loss, domestic violence, and wellbeing.

- **Partnerships for an integrated community:**

Asian Resource Centre of Croydon (ARCC), Croydon Neighbourhood Care Association (CNCA) and Age UK Croydon have developed a strategic partnership that has allowed us to reach isolated groups to continuously monitor and informally assess their welfare.

- **Islamophobia:**

We adopted the all-Party Parliamentary Group (APPG) on British Muslims' definition of Islamophobia, following the rise of hate crimes including Islamophobia in Croydon.

- **Staff diversity network groups:**

We have worked to strengthen the voice of our six staff diversity network groups within the council. These groups have supported change to our workforce profile by their visibility of staff diversity through awareness raising events, communications campaigns and role modelling. They have also worked actively with the community in activities such as volunteering and event promotions.

- **Equality, Diversity and Inclusion (EDI) Internal Control Board**

We established an EDI Control Board to improve governance of EDI across the organisation. It is responsible for the delivery of the Equality Strategy and the Cultural Change Strategy and is focused on improving EDI performance within the organisation.

- **Cabinet Equality, Diversity and Inclusion Advisory Group:**

The Leader of the Council is establishing a corresponding Cabinet Advisory Board to monitor the performance of the EDI Internal Control Board. This will improve reporting against these key outcomes.

Background

The Equality Strategy was developed against a backdrop of prevalent international and national themes, which were particularly highlighted by the Covid-19 pandemic. The impact of the virus has been disproportionate, especially on Black and Minority Ethnic residents. This is as a result of long-standing structural and systemic inequalities and socio-economic determinants of health.

We also witnessed a strong social response to racism through the Black Lives Matter movement following the murder of George Floyd in the United States. This movement had its roots in United States but the underlying principals and need for change to how people of African and African Caribbean and African Latin heritage were treated, impacted strongly in the United Kingdom our Croydon community were also very heavily impacted.

In partnership with Croydon's residents, businesses, Voluntary and Community Sector (VCS) and staff, the Council developed an Equality Strategy for 2020-2024. The goal is to deliver a combined strategic vision for equality across the borough. Our approach builds on the partnership work undertaken in the past year, with the aim of identifying priorities and key thematic areas through assessments, surveys and consultation exercises.

Introduction

The Equality Strategy provides a framework for our equality objectives, what we want to achieve, actions we will take to tackle and address inequality and how we will measure our progress. It sets out how the Council intends to meet its requirements under the Equality Act 2010 and associated Public Sector Equality Duty. The aim is to tackle all forms of inequalities in the community and in the way we carry out our work, providing examples for organisations working in our local area.

It is worthy of mention that the Equality Strategy and supporting actions are 'living' documents. Therefore, the strategy and action plan will be reviewed yearly to ensure that our policy and practice are relevant in the face of emerging and prevalent national and local

priorities. This will be particularly important as we emerge from the Covid-19 pandemic and its inequitable impact on our communities.

Though our progress on the Equality Strategy has been severely impacted by both the pandemic and the Council's financial situation, we are proud of what we have achieved to date. We are now making steady progress through the focus brought about by the EDI Internal Control Board.

To achieve our aim of promoting equality and equity in the community, 4 key outcome areas were developed. The following sections present the 4 key Equality outcomes, the associated objectives and actions we have taken to achieve these objectives.

For ease of reference, the key outcome areas and associated objectives are shown in the table on the following page.

PLAN ON A PAGE

VISION

Croydon is a place of opportunity where everyone can belong, addressing the needs and aspirations of all those who live and work in the borough

The Council addresses social inequalities as a community leader and employer

- OBJECTIVE 1: The Council's workforce reflects our diverse communities at all levels
- OBJECTIVE 2: The Council acts as a role model and champions a fair society
- OBJECTIVE 3: We ensure equality training is central to the way work, is regularly undertaken, and is reviewed to meet changing needs

We work with residents to better understand our communities

- OBJECTIVE 1: Continue to increase our network across seldom heard groups
- OBJECTIVE 2: Information about the Council's work towards tackling inequality is easy to access and understand
- OBJECTIVE 3: Data about local communities is more effectively collected, analysed and used to inform decisions and improve services

Use partnerships to improve access and meet individual needs as they arise

- OBJECTIVE 1: Enable better education outcomes by offering support to groups who need it most
- OBJECTIVE 2: Support the creation of jobs that enhance quality of life
- OBJECTIVE 3: Services are proactive in targeting group that have accessibility issues as a result of disability, age, mental health, disability, language, digital and/or physical barriers
- OBJECTIVES 4: Inequalities that lead to school exclusions and young people entering the criminal justice system are addressed, specifically for black boys, white working class boys, gypsy roma and travellers, and those accessing free school meals.

People in Croydon are supported to be in good health

- OBJECTIVE 1: Work with partners to tackle social isolation and bring people together
- OBJECTIVE 2: With our partners use our knowledge of specific health challenges to support improvements
- OBJECTIVE 3: We work with our partners to open the door to health services, and support them to make sure residents know where and how to access services

Key performance indicators to measure the progress were developed for each objective and embedded within the Council's Equality Strategy 2020-2024 in the form of an action plan.

Each section of the report sets out the Outcome areas and objectives and a summary of activities and projects that the Council has focused on over the last year to deliver them.

It also contains good practice case studies that provide an overview of how the Council has worked in partnership with our statutory, voluntary and community partners and engaged with our customers to deliver equality initiatives that support work on improving service outcomes for diverse communities in the borough and our staff, whilst bearing in mind that 46% of our Council staff are also residents.

Next Steps

The Council will continue to monitor progress against the Equality Objectives set out in the Equality Strategy (2020-2024) and will report annually on overall progress.

OUTCOME ONE: The Council addresses social inequities as a community leader and an employer

Objectives

1. The Council's workforce reflects our diverse communities at all levels
2. The Council acts as a role model and champions a fair society
3. The Council ensures equality training is central to the way we work, is regularly undertaken, and is reviewed to meet changing needs.

Why did we choose this outcome?

Strong, visible leadership is essential to effectively embed equality throughout the organisation and community at large. The Council will ensure our leaders are not only supporting but also more importantly driving the change and championing equality.

We want to use equality analysis as an effective tool to identify needs and improve outcomes, address gaps and reduce inequality. The council believes in the dignity of all people and their right to respect and equality of opportunity. We value the strength that comes with difference and the positive contribution that diversity brings to our community. Our aspiration is for Croydon to be safe, welcoming and inclusive.

We welcome the diversity of our staff and customers and regard this as the strength of our borough. We want to continue to improve and increase diversity at senior levels across the organisation and our workforce profile to reflect Croydon's communities and in particular under-represented groups - at all levels – so those in decision-making positions reflect the communities they serve.

The Council will continue to regularly monitor, analyse and publish employment data and more importantly take actions to address identified trends. The Council aims to embed equalities practice across the organisation.

Objective One: The Council's workforce reflects our diverse communities at all levels

The workforce profile provides a valuable source of data about the Croydon Council workforce. We value the diversity of our employees and customers and see it as a strength of our community. We want to continue to improve and increase diversity at senior levels across the organisation, as well as our workforce profile, to better reflect Croydon's communities, particularly under-represented groups at all levels so that those in decision-making positions are representative of the communities they serve.

Part of the corporate performance framework has KPI's around workforce and employment to ensure diversity across recruitment, pay, disability, gender etc. These are monitored by the Corporate Management Team on a monthly basis where the Chief People Officer is in attendance to ensure areas of weakness are discussed, as well as associated action plans. In addition, we monitor and have a target for the workforce replicating the borough in terms of diversity.

Workforce representation by protected characteristics

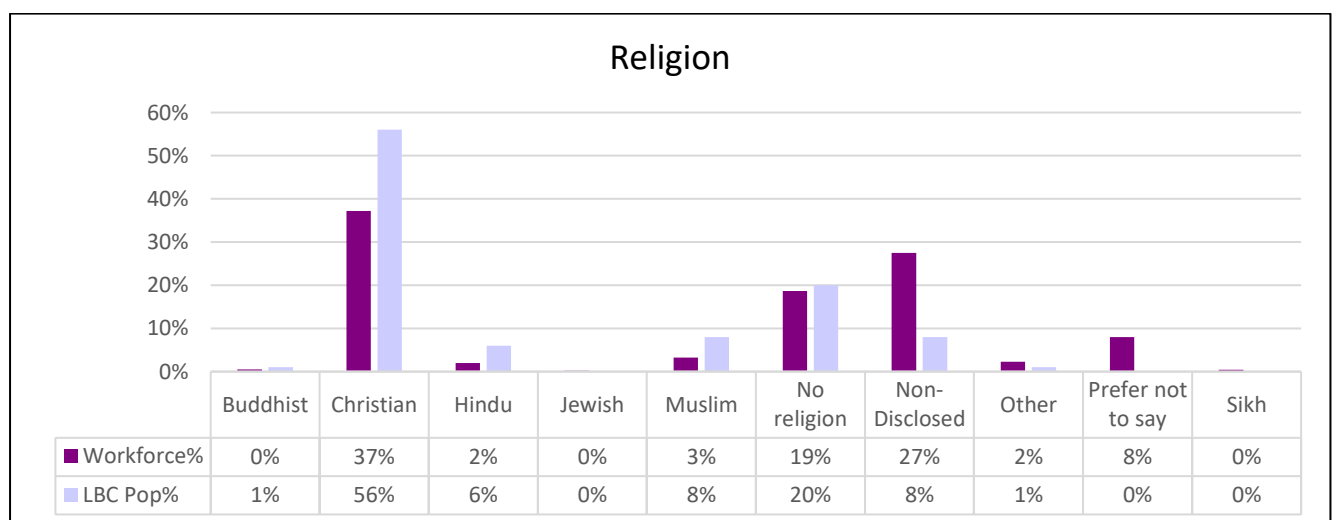
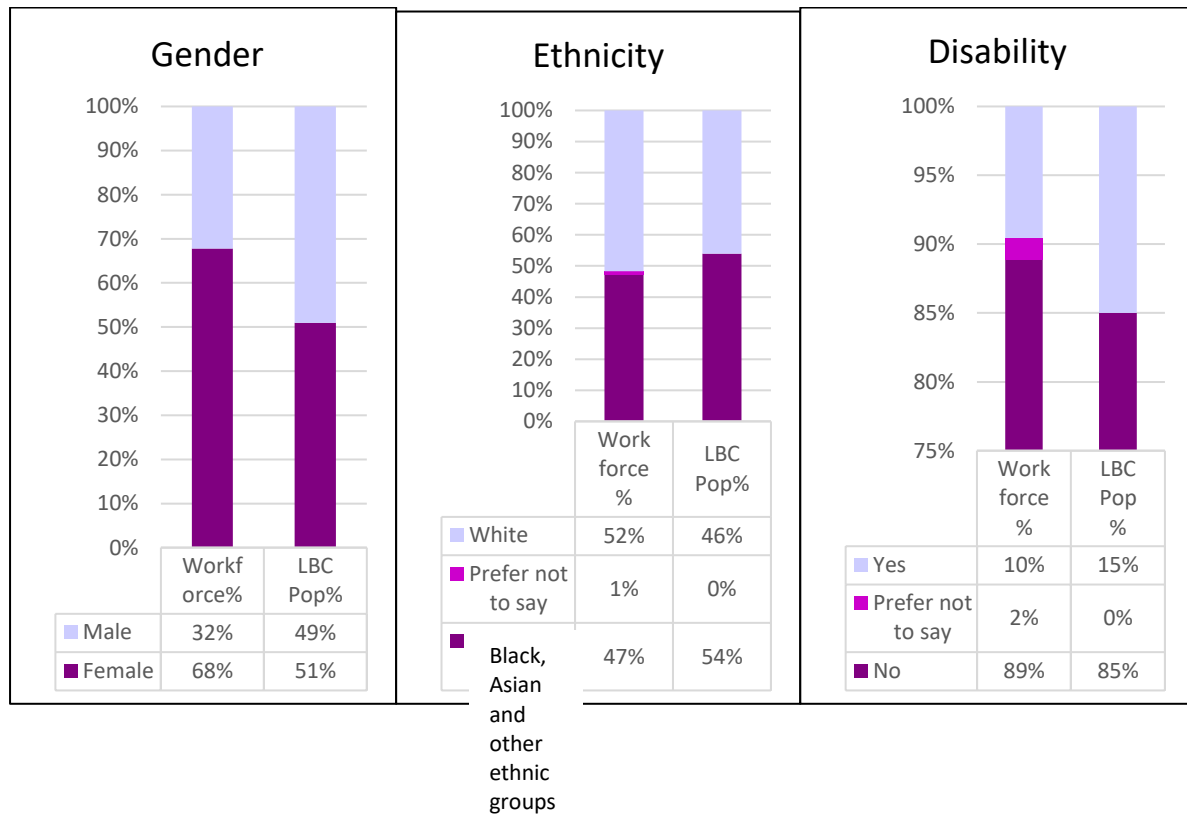
Our breakdown of the workforce is mapped against Croydon residents' 2011 census statistics regarding gender, ethnicity, disability and religion characteristics. Whilst Croydon Council workforce has a positive gender mix, there is more to do on ethnicity, LGBTQ+ and disability if we are to meet our aspiration of employing a workforce that is representative of our communities. We have made progress in increasing disclosure rates for ethnicity and disability, sexual orientation and religious belief and will continue to run campaigns to encourage our staff to share their data. There has been between 6-7% improvement rate on the key protected characteristics sharing their data over the last 12 months. We are taking our efforts to increase disclosure seriously and intend to focus in particular on improving ethnicity and disability disclosure rates by using best practice and consulting behavioural techniques to provide greater accuracy for our workforce planning and monitoring. It is useful to highlight the levels of staff who have declared that they prefer not to say in respect of protected characteristics.

Our current non-disclosure rates (as at December 2021) for the protected characteristics are as follows:

Ethnicity: 24%

Disability: 26%

Religious Belief: 27%



The 2011 census did not collect information from respondents on sexual orientation or gender identity, therefore the council does not have a community comparator to map against. The 2021 census will provide a richer data set, with the Office for National Statistics beginning to release data later this year. In the meantime the council undertakes workforce monitoring on sexuality and has collated data since 2013 (see table below).

	LBC 2018/19		LBC 2020/21	
Bisexual	15	0.65%	24	1.45%
Heterosexual	1839	79.37%	1851	85.36%
*categories recorded were 'Gay Man or Lesbian Woman'	50	2.16%	46	2.50%
Other	52	2.24%	38	1.37%
Prefer Not To Say	361	15.58%	298	9.32%

During this monitoring period we have seen a small but positive increase in LGBT representation and a decrease in those electing to prefer not to say. The council has reviewed and updated terminology to describe sexual orientation categories referencing the latest Stonewall guidance and advice.

Increasing Staff Disclosure of Protected Characteristics

The council has been committed to improving the rates of disclosure by employees of their protected characteristics to achieve an overall disclosure rate of 85%. By improving disclosure, the council would be able to:

- Build an accurate picture of the workforce
- Ensure that all members of the workforce are treated fairly (by monitoring equality of opportunities)
- Ensure that staff can be their authentic selves at work
- Make sure the workforce strives to reflect the community we serve
- Ensure that our policies are not indirectly discriminatory

As a council we also wanted to be accurate in our reporting of the diversity of our workforce as this would help us in planning new initiatives and campaigns. We are aware that there were several obstacles to staff completing their equality data which included:

- Lack of awareness by staff that their data was incomplete
- Lack of knowledge (of the self-service system) by staff regarding how to complete their data online
- Lack of insight by staff into why completing this data was important
- Suspicion regarding the confidentiality of the data

During the period 2020-21, initiatives continued including:

- Further communications on a regular basis regarding the importance of disclosure and how information is used
- Implementation of a simple online form for staff to complete their equality information easily
- Personal contact of all new starters to the council on a monthly basis by HR to remind them to check and update their equality data and give information on how this is used.

Non-Disclosure Rates: June 2018 – December 2021

	June 2018	December 2021	% change
Ethnicity	30%	24%	-6%
Disability	38%	26%	-12%
Religious Belief	36%	27%	-9%
Sexual Orientation	34%	28%	-5%

Ultimately, we aim to create an environment where staff are able to ‘be themselves’ so if they are willing to communicate openly and disclose protected characteristics, this shows increasing levels of engagement and confidence in the council which will be reflected in performance levels and satisfaction surveys.

Next Steps

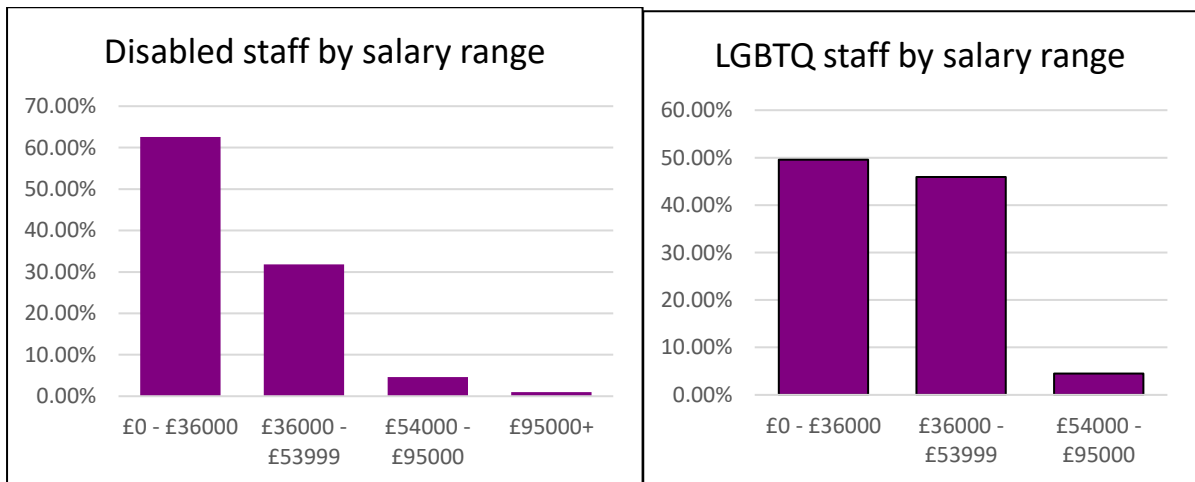
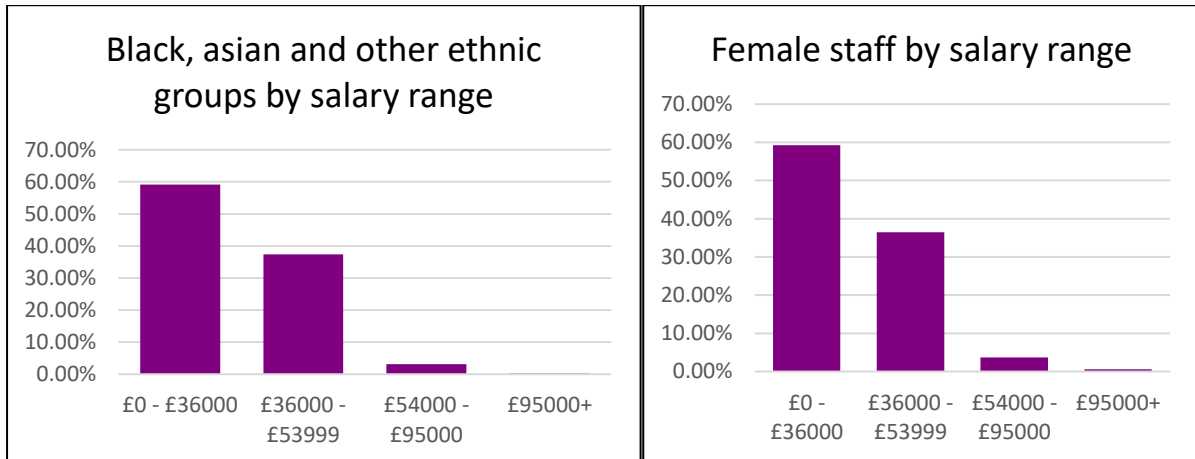
Based on the data above there will be focus in the following areas in the future:

- To have our workforce profile at divisional level be at least 70% reflective of the community we serve including declared ethnicity, gender, disability and sexual orientation
- Understanding and tackling the issues regarding low numbers of non-white ethnic groups and disabled staff in senior management roles.
- Targeting the areas where there are highest levels of non-disclosure. These include areas where staff may have limited access or use of computers.
- Encouraging higher disclosure declarations to aim towards 85% targets particularly around ethnicity, disability and sexual orientation.
- Recruitment data at its next presentation to include qualitative data – with further data around application/shortlisting/interviewed and job offered
- Improving recruitment in regard to those with a disability & those aged 16-24 years
- Benchmarking with other London Boroughs

Equalities profile by earnings

It has already been highlighted that the workforce at Croydon is not yet representative of its community in respect of ethnicity, disability and gender. The equalities monitoring of our workforce further indicates that there is also an under-representation within the workforce across salary ranges, with a negative funnelling of representation for Black, Asian and other ethnic groups and disabled staff at senior levels. It is interesting to note a more positive

distribution for staff declaring their sexual orientation. During 2021/22, a variety of senior staff were appointed which may positively influence diversity at this level in 2022. However, it is recognised that underrepresentation still exists.



NB: data shows positive declarations on protected characteristics. The senior structure covers Corporate Directors, Directors and Heads of Service. Head of Service salary range begins at £65,589.

Gender Pay Gap Reporting

From 2018 it became a legal requirement for the Council to publish its gender pay gap workforce data. A gender pay gap compares the difference between how much people from

one gender are paid on average compared with people from another gender. A pay gap shows whether the male gender is on average occupying higher paying roles than the female gender. It is not a comparison of pay between people doing the same work.

As of 31 March 2020, the Council reported a mean gender pay gap of 2.0% and a median gender pay gap of 0.0%. This compares favourably in comparison with other local authorities and regional statistics. The pay gap figures have increased slightly by 0.4% (mean) and decreased by 2.6% (median) since 2018. The pay gap figures for March 2021 will be reported on the government portal and the council's website by 30 March 2022

The Council also intends to publish pay gap data for disability and ethnicity characteristics. Further details will be published on the Council's website by 30 March 2022.

Next steps:

The council needs to address under-representation of Black, Asian and minority ethnic employees in the top 5% earners and focus on closing its ethnicity and disability pay gaps.

Consideration should also be given to an increasingly older workforce, with strategies put in place to attract younger talent.

More work is required to enable more disabled people to access employment, such as creating job carve roles and entry-level roles.

Despite the recorded improvements in workforce data collection, there is the need for the Council to, where possible/appropriate, to collect personal data from residents and customers in relation to ethnicity, sexuality, religion and remaining protected characteristics. This data will then allow a richer picture of need and inequality to be created enabling commissioned services to be more targeted and the right support and services are in place for all our residents.

Workforce policies:

During 2019, the council undertook a baseline qualitative and quantitative analysis of the workforce to inform our workforce strategy. This included a commitment to review and

update our policies including discretionary and annual leave. Our policies on discretionary and annual leave were updated in 2020 and 2021. In 2022 we will be updating our flexible and agile working policy to reflect our move into hybrid working practices.

Recruitment:

We have established a working group under the EDI Internal Control Board, which is developing a clear baseline and workforce EDI dashboard to be able to report on our workforce profile more widely and ensure actions can be taken to reflect the diversity of the communities we serve.

We have strengthened our recruitment policy in relation to diverse recruitment panels. Our policy is that every panel should be diverse regarding ethnicity and gender. Staff across the organisation have been trained in effective recruitment, and are available to support any service that may need support with creating a diverse panel.

Following discussion at the EDI Internal Control Board we are extending diversity to include age. This is in response to data that has identified that we are struggling to recruiting staff under the age of 35.

We are looking beyond simply having diverse panels, and seeking to identify if they have had an impact on our objective to have a workforce that reflects the community.

Details of diverse panels will now be held centrally with the Recruitment team and we will be undertaking sample audits in 2022/23 to ensure best practice and compliance.

We have also ensured our external recruitment partners provide a shortlist of diverse candidates to be considered. Equality, diversity and inclusion was the largest single scoring element in the procurement tender for the senior recruitment partner for the Council. Bidders were required to submit details of their proposed approach to ensuring a diverse shortlist, and their track record of successful diverse recruitment campaigns.

Objective Two: The Council acts as a role model and champions a fair society

The Equalities Pledge and the George Floyd Race Matters Pledge

The brutal murder of George Floyd in May 2020 shocked the world and rightly brought greater focus to the ingrained racism and inequalities faced by African, African Caribbean, African Latin communities globally.

The Council lit up the Town Hall on 2 June 2020, as a gesture of solidarity for George Floyd. In addition, on 4 June 2020, approximately one hundred people took the knee outside of Croydon Town Hall to show solidarity as a community. The Council also made a commitment to improve the lived experiences of the black community in the borough and the Council's workforce.

We responded as a Council by undertaking listening activities with both employees and community groups to identify concerns about systemic racism which had impacted negatively on the lived experiences of staff and residents. We established a steering group in partnership with a number of community organisations. These included: Croydon's BME Forum, Legacy Youth Zone and the Whitgift School along with other community partners.

The aim was to challenge organisations, including the Council itself, to stretch their ambitions to change persistent structural and institutional racism faced by people of African, African Caribbean and African Latin heritage.

We originally planned to have an Equalities Pledge and Black Lives Matter Charter. Following discussion, the Steering Group decided to develop an equalities pledge and a specific Race Matters Pledge. The Race Matters Pledge, being aimed at positive action to tackle racism faced by people of African, African Caribbean and African Latin heritage rather than being aimed at all ethnicities. The aim of the Equalities Pledge was to support all other protected characteristics and ethnicities and to address all other forms of discrimination.

We held two consultations, using the Councils engagement platform “Get involved”, the first held between July and August 2021 and the second held between October and November 2021.

In response to the consultation feedback the Race Matters Pledge was renamed the George Floyd Race Matters Pledge to provide clarity about the beneficiaries of the pledge along with the rationale for its establishment.

The pledges were also focused towards organisations rather than individuals, recognising that businesses, organisations public or private and community and voluntary groups have a tremendous impact on the lived experience of their staff and customers.

These pledges each contain 10 activities for organisations to undertake to eliminate racism and other forms of discrimination and make Croydon a fairer and more inclusive borough, a place where everyone feels valued, has a voice and a sense of belonging. We acknowledged that organisations who adopt the pledges will be of varying sizes and in a range of different sectors. Therefore, each organisation adopting the pledges is asked to commit to undertaking a minimum of 3 activities per year, therefore producing incremental change year by year. This would result in completion of all activities and an improvement in equality, diversity and inclusion performance by 2025 for organisations adopting the pledges in 2022.

The pledges are to be owned by the Croydon community, led by the Council and supported by community partners.

The Equalities Pledge was launched on 8 March 2022, International Women’s Day. The George Floyd Race Matters Pledge will be launched on 25 May 2022, the second anniversary of George Floyd’s brutal murder.

Both Pledges would be monitored by the EDI Internal Control Board. Organisations that adopt the pledges will be invited to meet quarterly to discuss progress.

Both pledges build on our Hate Crime Pledge that we launched in 2019 which had resounding support.

The Equalities Pledge and George Floyd Race Matters Pledge are detailed below.

George Floyd Race Matters Pledge

As an organisation we commit to:

- We are working to become an anti-racist organisation by embedding this in our strategies, actions and behaviours and by making a difference to the lived experience of our communities
- Committing to zero tolerance of racism from employees, residents, customers and service users by challenging racist behaviour or stereotypes expressed by individuals
- Developing our knowledge of anti-racist practice by listening and responding to experiences of staff and the wider community
- Developing an understanding of the role that power, privilege, identity and disadvantage that impacts on the lived experience of all staff in particular those from African/African Caribbean, other African heritage communities
- Undertaking whole workforce training on unconscious bias and encouraging staff to safely challenge such bias during day-to-day conversations
- Developing cultural awareness by learning more about African/African Caribbean and African other history and cultural practices to develop understanding of staff and customers through podcasts, videos, documentaries and by attending events
- Promoting good relationships between groups which share cultural similarities and those that don't by encouraging communities to celebrate together as one
- Identifying and addressing any ethnicity pay gaps
- Ensuring that recruitment processes from application, shortlisting, interview and appointment conducted in a manner that facilitates positive action in recruitment such as media campaigns, advertising imagery and interview panels that represent the diversity of the borough's population where possible
- Developing plans to address challenges where race may not be the only factor and the needs of people may also be in relation to disability, age, sexual orientation, gender or other protected characteristics.

Equalities Pledge

As an organisation we commit to:

- Positively promote the equality of opportunity for individuals of all characteristics namely: disability, gender, race, age, sexual orientation, religion and belief, marriage and civil partnership and gender identity by recognising significant celebrations and awareness days and ensuring that workplace practices do not discriminate against any groups
- Ensuring that there is mandatory training for all staff at all levels in equality, diversity and inclusion every two years, attendance is monitored, and 100% targets set with staff and managers held to account
- Ensuring a zero-tolerance approach to all forms of discrimination, harassment and bullying, publicising the staff code of conduct, providing staff with information on what it is and encouraging people to safely challenge this where it occurs ensuring that people are not treated less favourably for doing so
- Positively encouraging applications from diverse and under-represented groups when advertising for posts and taking actions to respond to under representation in this area identified by organisational data
- Using anonymous recruitment processes which don't reveal details of race, age, gender, disability or socio economic status
- Identifying and annually publishing pay gaps based on ethnicity, disability and gender and putting actions in place to reduce such pay gaps
- Providing reasonable adjustments for disabled staff in interviews and employment
- Developing and agreeing an equality policy for the organisation which all staff sign up to, and reviewing it every 3 years
- Collecting data on the protected characteristics of staff and aiming to have a workforce which reflects the Croydon community by using positive action recruitment practices and encourage career development for underrepresented staff.
- Undertaking annual staff surveys to identify the impact of organisational actions on employees lived experience and psychological safety at work

Islamophobia

The Council has previously expressed concern at the rise of Islamophobia in recent years across the UK, and around the world. In Croydon, we have seen an increase in reports of hate crime of 35% between 2017 2020. Our “Say No to Hate” pledge recognises that hate crime can take many forms, including against race, gender equality, sexual orientation, physical or mental disability and religion or faith, such as hate crime incidents related to Islamophobia.

The Council debated this issue on 13 December 2021 along with examples of how Islamophobia manifests itself in behaviour which perpetuates hatred. Examples of Islamophobia seen in the media and in society as detailed:

- *Calling for, aiding, instigating or justifying the killing or harming of Muslims in the name of a racist/fascist ideology, or an extremist view of religion.*
- *Making mendacious, dehumanizing, demonizing, or stereotypical allegations about Muslims as such, or of Muslims as a collective group, such as, especially but not exclusively, conspiracies about Muslim entryism in politics, government or other societal institutions; the myth of Muslim identity having a unique propensity for terrorism and claims of a demographic ‘threat’ posed by Muslims or of a ‘Muslim takeover’.*
- *Accusing Muslims as a group of being responsible for real or imagined wrongdoing committed by a single Muslim person or group of Muslim individuals, or even for acts committed by non-Muslims.*
- *Accusing Muslims as a group, or Muslim majority states, of inventing or exaggerating Islamophobia, ethnic cleansing or genocide perpetrated against Muslims.*
- *Accusing Muslim citizens of being more loyal to the ‘Ummah’ (transnational Muslim community) or to their countries of origin, or to the alleged priorities of Muslims worldwide, than to the interests of their own nations.*
- *Denying Muslim populations, the right to self-determination e.g., by claiming that the existence of an independent Palestine or Kashmir is a terrorist endeavour.*

- *Applying double standards by requiring of Muslims behaviours that are not expected or demanded of any other groups in society, e.g. loyalty tests.*
- *Using the symbols and images associated with classic Islamophobia (e.g. Muhammad being a paedophile, claims of Muslims spreading Islam by the sword or subjugating minority groups under their rule) to characterize Muslims as being ‘sex groomers’, inherently violent or incapable of living harmoniously in plural societies.*
- *Holding Muslims collectively responsible for the actions of any Muslim majority state, whether secular or constitutionally Islamic.*

Following this debate we adopted the definition of Islamophobia, as developed by the All-Party Parliamentary Group (APPG) on British Muslims. We reinforced our commitment as a Council, to fighting Islamophobia in all its forms. We welcomed the APPGs definition which has been backed by hundreds of organisations and institutions.

Equality, Diversity and Inclusion (EDI) Internal Control Board

We have established an EDI Internal Control Board, as part of the new systems of governance in the Council. The EDI Board held its inaugural meeting on 3 November 2021. It was established to improve governance of EDI across the organisation and is the first of several governance boards to be established. It is responsible for the delivery of the Equality Strategy and the Cultural Change Strategy and is focused on improving EDI performance within the organisation, with residents and in our supply chain. It is also responsible for improving organisational culture and the lived experience of all employees.

The Board meets on a monthly basis and is co-chaired by the Chief Executive and Head of Learning and Organisational Development. Membership of the board includes representatives of each department, Chairs of Staff Network Groups, Cultural ambassadors and Guardians and the Equality Programme Manager.

The Board’s initial work is focused on the following four core priorities:

- Ensuring there is a shared understanding of organisational priorities

- Develop clear metrics and our baseline to be monitored and tracked
- Communications and ensuring transparency of the Board and its activities
- Allow opportunities for external partner voice and reflections

Each priority area is undertaken by a project team within the Board and provides a report to each meeting on progress. The EDI Board works to a forward plan of activities, with focus on progress against the Equality Strategy and Cultural Change Strategy around the four priorities above. The Board is monitoring and tracking progress against each outcome

The Board received key reports on focus areas. This includes:

- Updates on the Children’s Race Equality Project where we received Lord Woolley as a keynote speaker. We plan to cascade good practice from the Children’s Race Review Project though out the organisation.
- EDI risk and implementing several controls to address the risk.
- Producing an EDI dashboard, working to increase our ability to use our current HR systems to provide the data that we are seeking.
- We have reviewed the knowledge that members should have around organisational EDI priorities, identifying a range of documents to ensure that Board members have a shared understanding.
- We have also received reports from Staff Network Chairs on their progress, key activities and concerns.
- We have increased our EDI communications on both the intranet and internet and have an area on our intranet dedicated to the work of the Board. This ensures that we are demonstrating openness and transparency. We continue to provide information and signpost people to events relating to our staff networks and other cultural and celebratory days. Our EDI communication has been enhanced by EDI references to organisational events and societal challenges regarding EDI.
- In February 2022 the DI Board received a report on recruitment data, which is helping to monitor and analyse recruitment decision-making impacts by protected characteristic groups.

The Board has a forward plan which is considered at every meeting. We are currently planning a 12-month schedule of work.

The EDI Internal Control Board will also be the voice which ensures that equality issues are truly embedded into the fabric of the Council and the borough itself. The Board will promote issues which make a difference to the lived experience of real people, such as implementing the socio-economic duty of the Equality Act 2010. This addresses our Council priority to tackle ingrained inequality and hardship, like structural racism, environmental injustice and economic injustice. More work and employee development is required to ensure consistent practice and values across the workforce in the implementation of EDI best practice

The Leader of the Council is establishing a corresponding Cabinet Advisory Group which will receive quarterly briefings from the Internal Control Board on progress against EDI and culture change strategies and action plans. This will improve existing reporting mechanisms which are this annual Equality report to Cabinet, plus monthly briefings for the relevant Cabinet member and shadow Cabinet member.

The Council recognises its duty as a community leader in tackling inequalities and poverty and advocating for a more equitable society. We are committed to reducing inequalities and tackling poverty in particular because of the effects of the pandemic which resulted in large numbers of people losing their jobs and businesses. We acknowledge that the demographics of our Borough are split with the underlying poverty being more prevalent in the north and east of the borough than the south. We note that the north and east of the borough houses more ethnic groups than the south and has more areas of deprivation.

Every Key Decision is accompanied by an EQIA (Equality Impact Assessment)

Undertaking equality impact assessments is a key element of how the Council meets the Public Sector Equality Duty under s149 of the Equality Act 2010. We have strengthened advice to report writers on the rationale for undertaking an equality impact assessment (EQIA). We are encouraging report writers to begin their equality impact assessment at the start of a project, proposal or plan to ensure that equalities are integrated throughout.

We have an online equality impact assessment training course on our learning platform. This takes learners through the EQIA process step by step. We also provide one-to-one guidance to report authors through feedback and coaching.

The practice of providing one to one guidance and coaching leads to an improvement in standards of completed equality impact assessments. This contributes to the development of report writers with regard to producing EQIAs and enables the Council to make more effective and informed decisions.

In January 2022, the Council updated the Medium-Term Financial Strategy (MTFS). The quality assurance process for the project included an equality impact assessment on all budget proposals. The Equality Team facilitated a surgery where they provided 121 feedback to report writers on the development of their equality impact assessments. The team have agreed to hold further EQIA surgery's later in the year (2022).

An annual audit of equality impact assessments will be carried out by the EDI Internal Control Board as part of the EQIA quality assurance process.

Housing Directorate:

The Council's commitment to equality and diversity is at the forefront of the Housing Improvement Plan, and the directorate's priorities as part of the Croydon Renewal Plan.

The ARK Consultancy report identified perceptions of discrimination on the basis of race in our responsive repairs and complaints services, and one of the primary outcomes of the Plan is to ensure our tenants and leaseholders are treated with respect, regardless of their protected characteristics. To enable this, we will be reviewing our complaints process, and the quality of responses to complaints, to co-design and co-produce a set of service standards with our tenants and leaseholders.

A Workforce Plan will be developed, alongside a skills audit of the housing service, to ensure housing staff are equipped to do their jobs and treat tenants and leaseholders with both respect and compassion. The Workforce Plan will also seek to ensure our workforce reflects the diverse community it serves.

Improvements to data collection will be key to enabling the housing directorate's commitment to equality and diversity. Data on the nine protected characteristics for the following cohorts will enable the directorate to mitigate any impact of particular groups: homeless applicants, temporary accommodation residents, residents on the housing register and council tenants.

In line with council-wide commissioning and procurement guidance, the procurement of our new responsive repair's contracts, and other major contracts, will support the council's equality and diversity commitments.

Adult Social Care:

All commissioning and procurement activity that is carried out for possible new contracts include evaluation around delivering to equality objectives and social value.

All Contracts have standard clauses around the Councils equality objectives and what providers should do to achieve these, which are monitored through contract management.

Equality Impact Assessments are carried out in line with any commissioned activities to support delivering equality objectives. EQIA's are developed using data, feedback and research and are regularly reviewed and updated as projects develop

The service is strengthening commitment to equalities by ensuring that every strategy, delivery plan and staff appraisal has an equality objective linked to it – this will be reviewed in each managers appraisal to ensure that this is done for all staff and reviewed regularly in supervisions.

Children, Young People and Education – Race Equality Review Board

In 2021, we undertook a Children's Race Equality Project through the establishment of a Children's Race Equality Review Board. This was the first of its kind at the Council and was chaired by Lord Simon Woolley. We established this in response to historical complaints of racism and race discrimination in the Children's Families and Education Directorate. Our plan

was to identify key issues of racism and race disparity within the directorate and develop an action plan to implement solutions.

The Board identified a number of initiatives that would support the advancement of race equality in the directorate. The Board also made recommendations to cascade these solutions to the wider organisation.

The Children's, Families and Education (CFE) Race Equality Staff Advisory Group was responsible for being the staff voice and bringing staff views from all service areas to influence and inform the development and implementation of the work of the CFE Race Equality Review Board. It provided advice and constructive feedback to the board on key actions and outputs as well as testing whether immediate actions that derived from the board were having an impact on the ground. A survey was conducted which had a total of 276 responses. A webinar was also held by the Director of Early Help and Social Care and the Director of Education to discuss the survey results and way forward.

The survey found that staff do not feel comfortable having conversations at work about race. There also was a general view that staff do not feel listened to and that senior leadership need to be more accountable.

As a result of this feedback, the department piloted the Safe Space initiative as a means of addressing some of these issues. Safe Space is an initiative run by the organisation Race Equality Matters. The initiative aims to:

- Enable brave conversations
- Facilitate uncomfortable discussions
- Drive meaningful change
- Provide ethnic minority employees with a voice in the organisation
- Ensure senior leaders do not overlook or ignore race as an issue to take action on
- create change in the workplace
- Provide a way to initiate meaningful action on race inequality across organisations

A total of three 2 hour safe space sessions were held, supported by senior leadership. Participants had the option to take time out of session if required. The pilot within CFE is being rolled out across the wider organisation to also address wider concerns relating to

bullying and harassment across all protected characteristics. We are aware that we are on a journey and wanted to bring staff along with us. We created safe spaces that allowed for real raw elements to this piece of work. This saw numerous untailed conversations that gave staff the opportunity to be themselves, be authentic and share their lived experiences as well as how this work can make an impact/difference.

The Children's Race Equality Review Board made six recommendations, which will be incorporated in to the work of the EDI Internal Control Board:

- Keep race on the agenda
- Create more safe space initiatives
- Improve senior representation of Asian, African, African Caribbean staff
- Develop a Race Equality Chamber
- Ensure that the Council intersects race with the wider equality agenda

Guardians' programme

The Council has launched a Guardians' programme to support all staff to feel able to take control of situations that cause them concern in the workplace – such as perceived bullying or inappropriate behaviour. It provides staff with a safe space to confidentially share concerns about behaviour or the culture at Croydon, talk through issues and be signposted to relevant support and guidance by specially trained members of staff. Guardians respect and maintain absolute confidentiality over issues raised with them except in cases in which the issues might amount to a criminal offence. The Guardians' programme complements existing support for staff such as our HR team and policies, our staff networks, Trade Union representatives and our Employee Assistance Programme.

Staff Network Groups: Good Practice Case Studies

Disability Staff Network

2021 to 2022 has been a tough year for the network as working remotely has made it difficult to connect with staff on a personal level. However throughout the year the network has signposted and advised staff on sickness policy queries, EAP, dyslexia assessments and accessibility issues. The network has also engaged with other services in the council by conducting presentations around Disability Awareness. These have voluntarily been undertaken by network members, on top of their working role, as they are passionate about raising awareness in the workplace and promoting equality.

“The proudest moment for the network was chairing our Tea Break focusing on employee’s experiences of working for LBC with a disability or LTHC (long term health condition).

This was a really good chance to connect with senior leaders and highlight the barriers and obstacles that others may not be aware of as everybody’s experience is different. The talk was open and honest, and the network felt that Corporate Management Team (CMT) really want to change the culture within the organisation. We are looking forward to another Tea Talk with CMT regarding working at LBC with a Sensory Impairment.

Going forward, the network is focused on expanding by recruiting more members, increase disability disclosure to enable us as an organisation to better support our employees and understand our staff demographic. Sessions will be held around identifying as a disabled person and how some staff may not deem themselves disabled and the network aims to break down this barrier of participation. The network is aiming for staff to feel they are able to be open and honest about their disability or LTHC without it negatively affecting their role as many feel this will be the case.

Race Equality Network Retrospective 2021

Each year the Race Equality Network creates a retrospective summary of the past years' events and projects, delivered by a small volunteer group made up of executive leads and steering members, in support of staff of Croydon Council's Race Equality Network and allies. This is the networks way of showcasing the wealth of projects that foster a better understanding of the needs and challenges of our Black, Asian and minority staff through their lived experiences. This is done by constructing regular discussions, forums, events, and celebrations – including film and book clubs – that are a great way to network with colleagues in a non-formal environment. The network maintains an ethos that “a strong team is one in which employees work closely together and contribute to the overall quality and success of a business” which includes the network, our allies, the wider community, and the organisation for change to take place.

The network has highlighted a number of successes:

- In support of staff health and wellbeing we held various events that included two sessions (returned by popular demand) from Award-Winning Social Entrepreneur, Claudine Reid MBE on 'How to Take Control' of your life. We already had a forum called Voices, which enable our members to have a safe space to discuss their feelings around the financial crisis and restructures during 2020/2021 and bring in more topical subjects like racism in the media after the Euro Finals. Additionally, we hosted a presentation from representatives of Employment Assistance Program, provide pastoral support and widely sign-posted organisation-wide initiatives like the Guardians Programme and workplace stress support found on the Intranet.
- Lifestyle and self-help topics are so well received that its success led us to host several financial workshops, which included a talk on Money Management with Croydon Credit Union, and a series of 3 events delivered titled 'Financial Focus' with finance & insurance specialist, Chrystal Chaplin-Walsh who then went on to introduce the network to social media and tv sensation, Emmanuel Asuquo. The members could not get enough of these empowerment sessions.
- Our platform success meant that people were coming to us, and we were connected to the Office of National Statistics to collaborate on raising awareness to the more

underrepresented Afro Caribbean Community on the benefits of the 2021 Census survey. We hosted a session that encouraged staff to ask questions and address concerns directly with ONS and understand how they can help themselves to ensure the needs of the community are addressed by completing the survey and being represented.

- In spring we held our very first male only represented discussion, called Hard Truths; Home Conversations. These sessions are tailored to enable interpersonal experiences on hard hitting race topics. The male steering group leads took to the floor to speak on barriers to career progression, role-modelling, media perceptions and mental health in black, Asian and minority ethnic males. Topics were so prevalent that we did not get past the first subject of barriers to career progression.
- With the organisation's introduction of the Tea Break in May 2021, the Race Equality Network hosted the first in the series and focused on "the lived experiences and barrier to career progression" at Croydon Council among the Black, Asian and ethnic minority staff. This received wide recognition of areas for improvement whereby asking that the organisation review policy and practice for Diverse Interview Panels, Recruitment Controls, and the interview processes and ask that they consider career pathway and talent management systems.
- We delivered a series of 7 (4 books and 3 films) coordinated book and film clubs, where the members are invited to vote for their chosen books and films. These sessions are about having a forum for deep and meaningful discussions about our views and connecting with each other over shared experiences. The genres range from history, biographies, fiction and nonfiction, self-help, and really anything else. During these sessions we learn, raise awareness, and build empathy and understanding of our diverse ethnic cultures and lived experiences through the art of storytelling and movie making. Together we read 'Queenie', by Candice Cartey-Williams, 'Why I am no longer talking about race', by Reni Eddo-Lodge, 'Born a Crime', by Trevor Noah and 'The Impressionist', by Hari Kunzru. We watched, American period crime drama, 'Detroit', biopic inspired by Madam CJ Walker, 'Self-Made' and a Christmas musical with an emphasis on black actors and music, 'Jingle Jangle'.

- Collaborative work with the wider community and our counterparts at Croydon University Hospital (NHS), Croydon BME Forum and the Foundation for Mental Health. With them we have marked Windrush Day, South Asian Heritage Month (for the first time) and Black History Month.
- Maintaining an in-work social media platform on Yammer for members only, where we raise awareness of a calendar of memorial and celebratory days that identifies with the community in which we operate which is so much more diverse than we can represent.
- Towards the end of 2021, a new Sponsor, Kerry Crichlow, was appointed

The network seeks feedback from all participants and attendees. Overall, they were 'satisfied' and significantly 'very satisfied' with the quality of events held; zero reports of unsatisfied or very unsatisfied feedback. We have a similar response to members feeling mostly comfortable about asking questions and speaking up at events and feeling welcomed and supported by the group. A handful 'disagreed' or 'strongly disagreed' with feeling it was a safe space, details of which would need to be explored.

Over 70 responses were made regarding future events and topics of discussion. Ultimately, participants want more; more speakers, more books and films, more race topics, more lifestyle presentations, more about career development – more voices to be heard.

In 2022 the Race Equality Network will hold elections for the executive team and its steering group. A campaign is underway for a new administration for the network which includes a review of our Terms of Reference, roles, and responsibilities and how we promote expressions of interest to the final vote by all our members. The campaign is planned to promote these roles as a significant contributor to career progression. The network will also encourage and promote group participation and gain more volunteers.

Women's Network achievements 2021-2022

The women's network held several events during the period 2021-2022. These are presented below.

- International Women’s Day 2021: The Women’s Network held a week of virtual events during the week of 8th March to celebrate women and support the theme
- #ChooseToChallenge: promoting individual responsibility for challenging stereotypes, fighting bias, broadening perceptions, improving situations, and celebrating women's achievements. Events through the week included panels with external speakers, internal female leaders and fun activities (incl. Zumba, Chair Yoga and creative writing workshop).
- Ad-hoc events/ guest speakers: A number of ad-hoc sessions have been held across the year to raise awareness of different topics led by network members, including: a summer celebration networking quiz; a presentation from HR on the Council’s workforce gender profile; and group discussion led by a member of the educational psychology team on feminism.
- National awareness days: The network has acknowledged and shared information relating to national awareness days relevant to members, including Cervical Cancer Awareness Week, International Day of Women and Girls in Science.
- Coffee morning spotlight series: Started running a monthly “Coffee Morning Spotlight”, shining a light on our female senior leaders and predominantly female teams. In these sessions we hear about their careers, experiences of being women in leadership positions, advice for aspiring female leaders etc. These have been very well received by members.
- Women’s Career Progression Tea Talk: Hosted the Tea Talk with CMT in December on Career Progression for Women. The session discussed the challenges for women going into leadership positions, and what development opportunities are offered to women in the organisation. The main outcome of this has been the start of the review of the council’s mentoring programme.
- Supporting the local Violence Against Women and Girls (VAWG) work: A session was held in January by the Council’s Strategic lead for Domestic Abuse, Sexual Violence and Modern Slavery, who spoke to members about: how we’re tackling VAWG in Croydon; the initiatives being undertaken alongside the Met Police; and how staff can

get involved and support the VAWG work in 2022. There have also been opportunities shared with network members to get involved in, including sharing a 'Safety for Women and Girls in Croydon' questionnaire to help the domestic violence team to help them with their bid for Safer Streets Fund from the Home Office; raising awareness of the Met Police Street Safe initiative; feeding back on the Met Police VAWG Action Plan; and helping the Council's domestic violence service to test the "Ask for Angela" initiative in bars.

- Mentoring programme: following on from the tea talk on Women's Career Progression, the Women's Network has started working with Learning & Organisational Development to review and bolster the Council's mentoring programme. A session is going to be held in March by the L&OD team about the benefits of mentoring and coaching, how to sign up and some positive experiences of those who've done it themselves. Staff will have the opportunity to help shape how the programme could work going forwards.
- Menopause Support Groups: a member of the steering group has continued to hold regular menopause support groups (a sub-group of the women's network) and menopause bitesize training sessions for staff members.
- Menopause Tea Talk: Will be hosting the Tea Talk with CMT in March on Menopause. The session will discuss the symptoms of menopause and why it's important to understand them, and how we can support colleagues experiencing the menopause. A lack of understanding can lead to inadequate support for those experiencing the menopause and can have a negative effect on not just the individual but the wider organisation – resulting, for example, in increased staff absence or even resignations that could be avoided

Working Carers' Network Group

As is the case with other Network Groups, the Working Carers' Network Group provides staff at Croydon Council the opportunity to connect, support one another, discuss issues of

relevance and occasionally socialise. The group moved online in 2020 but is looking forward to restarting face-to-face events in the very near future.

In 2021, the network ran a creative writing competition for carers, from which it had some incredibly powerful and moving experiences shared. The written pieces were shared on the intranet and resulted in some amazing responses. One carer commented:

“must just tell you I have had some really lovely and heartfelt responses from staff reading my story. It seems to have really resonated with some people about their own situations past and present. Another member of staff said it had made her think about a colleague who is in a similar situation and how she must be coping. I was really touched that people took the time to write and tell me. It might not have happened but for the competition so thank you and if it makes just one person be a little more compassionate towards a colleague who is/was a carer, it is a great thing.”

The network tea break event with senior leadership was also a real highlight:

“this really felt like a safe space for our members and all employees with caring responsibilities. Coming together as people in similar situations, finding their voices within the organisation was incredibly empowering.”

The network is in the process of developing a ‘Carer Passport’. A Carer Passport is a record which identifies a carer in some way and sets out an offer of support, services or other benefits in response. This helps to improve and embed identification, recognition and support for carers in their day-to-day working life.

LGBT+ Allies’ Network

2021 to 2022 has been a difficult year for our network members. It has been difficult to increase in person visibility as Pride events were cancelled and flag raising ceremonies to mark awareness days in the LGBT+ Community have been virtual.

In the tough financial challenges facing the council, network members have experienced an increase in negative comments from colleagues because of sexual orientation and gender

identity plus with the decision for the council to withdraw without consultation with network members from the Stonewall Diversity Champion programme there is a feeling amongst members of being afraid to speak out and challenge homophobia, transphobia and biphobia behaviour at work.

The network is very proud of the Tea Break for Pride month in June 2022 where the Chief Executive and members of the executive Leadership team agreed to the following pledges:-

- Agree to educate oneself on issues and challenges faced by the LGBT + community
- Agree to challenge homophobia, transphobia and biphobia behaviour in workplace
- Agree to consider stating pronouns and take the opportunity to explain why you are stating pronouns
- Agree to have an 'open door' policy to listen to concerns from members of the LGBT+ community working at Croydon Council

The virtual tea break was well attended with over 70 staff members joining including the Chief Executive and the Assistant Chief Executive. Following the tea break session there was agreement to encourage staff to add their preferred personal pronouns to our corporate email signature – making it clear how staff would like to be referred to and also shows that staff respect gender identity and choice of pronouns of others.

Throughout 2021 to 2022 the network has continued to arrange a programme of network meetings with guest speakers and opportunity for staff to speak in a safe space. It has marked the following LGBT+ Community National awareness days by flag raising outside the Town Hall and sharing on the council official social media:-

- International Day Against Homophobia, Transphobia and Biphobia - 17 May
- Pride month – progress pride flag purchased from donations from network members and proudly flown outside the Town Hall (June 2021)
- National Coming Out Day – 11 October 2021

Network members are looking forward to supporting Croydon PrideFest on 14 July 2022 and LGBT+ community events being held at Stanley Arts and the Oval Tavern. National awareness

days will be observed by arranging for the rainbow flag raising outside the Town Hall on the following dates:

- International Day Against Homophobia, Transphobia and Biphobia - 17 May 2022
- Pride month – June 2022
- National Coming Out Day – 11 October 2021

And for the Trans flag raising outside the Town Hall to mark the following:

- Trans day of visibility – 31 March, 2022
- Trans day of remembrance – 20 Nov, 2022

Work is planned to address the current workplace culture where some network members are afraid to speak out and challenge homophobia, transphobia and biphobia behaviour in the workplace, with a programme of network meetings with guest speakers and opportunities for staff to speak in a safe space throughout 2022/23.

Objective 3. The Council ensures equality training is central to the way we work, is regularly undertaken, and is reviewed to meet changing needs

As a Council, we strive to ensure that equality training is integral to our work. As a result, we have taken key actions, including:

- Developing on line Unconscious bias training, equality and diversity training as well as Mental Health First Aider training as a consequence of Black Lives Matter.
- Face to face training has been limited due to financial constraints. However, work is being progressed with Beyond Business School (BBS) to train trainers to roll out culture change, including EDI improvements.
- Work is being prepared to roll out the culture change programme which will include EDI understanding and practice improvements.

Case Study: The Resilience Team

On 7th October 2021 the Resilience Team held an engagement event with the Council's emergency response officers (EROs) on diversity and inclusion. When EROs are at the scene of an incident, in a rest centre or coordinating the response behind the scenes in the Borough Emergency Control Centre (BECC), they may come into contact with people from a variety of different backgrounds. It's important to ensure that EROs are mindful and provide an excellent quality of care to all of those who are impacted by an emergency. The ERO Engagement Session on Diversity and Inclusion had guest speakers talking about extra steps that can be taken to ensure we're being inclusive when supporting residents whilst responding to an emergency. This included a talk from the Equalities Manager on the importance of EDI, the secretary of the LGBT+ network talking about pronouns and the Chair of Faiths Together In Croydon talking about being mindful of cultural and faith requirements.

Outcome Two: The Council works with residents to better understand our communities

Objectives

1. To continue increasing our network across seldom heard groups.
2. To ensure that information about the Council's work towards tackling inequality is easy to access and understand.
3. To ensure data about local communities is more effectively collected, analysed and used to inform decisions and improve services.

Why did we choose this outcome?

The administration's new priorities and methods of operation emphasise the importance of the Council's relationship with citizens, communities, businesses, and other stakeholders. In order to achieve this goal, it will fully engage Croydon people, communities, and partners in its quest to become a more efficient, successful, and financially sustainable council. According to national and local research, organisations and services that do not consider the requirements of seldom heard groups frequently let them down. It also recognises that one of the most important methods to verify compliance with the general equality requirement is to collect and use equality monitoring data.

The majority of the data on equality is based on age, gender, disability, and ethnicity. However, it is evident that we lack information with regard to some characteristics in some circumstances. We are trying to bridge our data gaps in order to improve our understanding of our communities.

Our data on who uses our frontline services, particularly transactional behaviour such as over the counter, over the phone, and on the web, has gaps. We understand the value of having high-quality data and how it can assist in targeting resources and enhance people's outcomes.

Objective One: To continue increasing our network across seldom heard groups

Public Health

We have continued to increase our work across seldom heard groups:

- The Council has expanded outreach to grassroots groups greatly over the past year through the Healthier Communities Together programme. The programme has set up Local Community Partnership that bring together active citizens, local Voluntary and Community Sector groups with the statutory teams and other service delivery organisations.
- Six Local Community Partnership forums have been set up across Croydon and are seeing an increase in the number of groups supporting people from seldom heard groups.
- Active citizens will be supported to harness the ideas and insights of the community to co-produce local health and care services. Decisions on priorities and funding will be taken by the Local Community Partnership on the basis of locally agreed priorities, with necessary approvals from the Local Voluntary Partnership Board. The community is starting to participate and not passive recipients of the local health and care services.
- The Healthier Communities programme has introduced community connectors The Service connects with community and faith groups to help their members access community-level services and activities that will help them maintain independent lives and which help prevent their circumstances deteriorating to a point where they might need higher level health or social care services.

Adult Social Care

There are a range of activities that the service utilise to increase the number of partners and local influencers that represent and /or work with seldom heard groups:

- Our Localities work with One Croydon and our Person Centred good conversations are anchored in our partnership working. An example is the Local Community Partnerships events in Croydon.
- We have regular and lively Provider meetings to ensure a range of voices are heard.
- We have a sub-group of the Adult Social Care Safeguarding Board called the Voice of the People
- Voice of the Resident is a key strand of our new Strategy and we work closely with One Croydon, CCG and community and voluntary colleagues to engage with our residents on a range of topics and to make sure their feedback results in action
- We have partnership boards for Carers, Learning Disability, Autism and Adult Social Care users
- Working with the Voluntary and Community Sector to develop their influence engagement and representation in decision making and decision making (Healthy Communities Together)

The service works closely with Health, One Croydon, CCG, and Providers to share data when appropriate.

Objective Two: To ensure that information about the Council's work towards tackling inequality is easy to access and understand.

Adult Social Care

We aim to be open and transparent about what we are doing, the progress we have made as well as the challenges we face. The Council has taken steps to ensure access to and appropriateness of services is monitored regularly. We are working to ensure easier access to translation as well as to accommodate the needs of sight and hearing-impaired staff and members of the public. We will continue to design services that best meet the needs of citizens, where technology is an enabler rather than a barrier to service improvements, and services are a delight for citizens and officials to use. This means prioritising citizen and user needs by using user research and user testing as the basis of all service improvements. This will include mapping of satisfaction data collected broken down by equality groups and vulnerable communities in order to better understand key gaps in provision around accessibility. This information will be analysed, acted upon by services and used to inform equality impact assessments.

We have taken several steps to collect relevant data whilst ensuring data collected is disseminated: easily accessible and understandable.

These include:

- Widened use of social media and use of website. Youth Engagement has an account but also disseminates information to schools and partners.
- The Local Voluntary Partnership form information is translated into different languages to ensure different community groups can access the forum.
- COVID work has extensively reached out to all our residents in different ways.
- Family Hubs bid
- Early Years' strategy

- The Once Croydon team produces monthly newsletters and have just started a Facebook account.
- Information is shared via the GP social prescribers and the Local Community Partnership meetings
- Multi-pronged approach, from a digital perspective, adult social care etc.

To ensure that information about the Council's work on addressing inequality is easy to access and understand, newsletters, social media, and third-party support (such as schools, partners, GPs) to disseminate information have been extensively leveraged. However, there is still a need for a coherent approach for letting people know how they can access their services. Additionally, there is the need for improved access/ community support for people with learning disabilities.

Objective Three: To ensure data about local communities is more effectively collected, analysed and used to inform decisions and improve services.

Improving our data collection is a key priority for us and will require a systematic approach. The approach will be guided by a corporate standard of data collection which will be developed by the Equality, Diversity and Inclusion (EDI) Internal Control Board.

One of the Board's key priority areas is to "*Develop clear metrics and our baseline to be monitored and tracked*". This priority area is responsible for the development of a corporate data collection standard and the development of equality dashboards for the organisation and for our customers.

Our current process of data collection has been inconsistent across departments with some departments performing better than others. We are currently working on culture change in this area, a whole workforce approach will ensure that we improve our standard of data collection and ensure that the change sticks. This involves educating staff on why they need to collect the data and supporting staff to ask customers questions about protected characteristics by telephone, face to face or online at our access points to the Council.

The Council is required to pay due regard to section 149 of the Equality Act 2010 when exercising their functions. This includes having due regard to the Public Sector Equality Duty as detailed:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act. (Section 149(1)(a))
- Advance equality of opportunity between people who share a protected characteristic and those who do not. (Section 149(1)(b))
- Foster good relations between people who share a protected characteristic and those who do not. (Section 149(1)(c))

The Public Sector Equality Duty enables the Council to deliver a more responsive and informed service that meets the needs of our customers. As part of our EQIA process, we sign post report authors to the Croydon Observatory for borough wide data. In the absence of service user data, we provide feedback to report authors indicating that the collection of customer data should be included as an action plan item.

Historically we have not routinely collected customer data on sexual orientation from residents or younger people. We are now addressing this data gap along with gaps in respect of other equality groups.

We anticipate that it may take some time for customers to feel comfortable with requests for information that they may perceive as being highly personal. Through clear communication we will explain to customers why we are collecting the data and what the data will be used for. We will also provide assurances that our data collection is for statistical purposes only, in relation to their equality characteristics. We are committed to utilising data to enable the Council to make more effective decisions, giving due regard to all sections of the community.

Public Health

In Public health, we use data (and evidence) extensively, from a variety of sources such as Public Health England Fingertips, ONS, NHS, CCG, and other current soft local intelligence in all our work programmes to influence programme activity, looking at areas (down to Ward level) and people who are most in need of various health issues. We examined a range of data across the protected characteristics such as ethnicity, age, genders, disability etc.

An example of this is our COVID 19 programme, where we analysed epidemiological data across all the wards, and population profiles to influence decision-making and where to locate our COVID 19 testing sites.

Recently, the service has utilised Mentimeter (online interactive survey platform) to gain feedback from young people about vaccine hesitancy.

Housing Directorate:

The directorate's approach to resident engagement has been strengthened and broadened in response to the ARK Consultancy report. In summer 2021, an extensive door-knocking exercise and resident survey was completed to capture tenant satisfaction across a number of high-rise blocks. The survey captured some protected characteristics, including race and age.

The delivery of the Housing Improvement Plan will ensure that all our residents have the information they need in relation to housing, whether that be via the Council's website, telephone, correspondence or in-person. Improvements to our existing 'front door' and telephony system will be key before proactive targeting of groups by protected characteristic can be achieved.

Improvements to data collection will be key to enabling the housing directorate's commitment to equality and diversity. Data on the nine protected characteristics for the following cohorts will enable the directorate to mitigate any impact of particular groups: homeless applicants, temporary accommodation residents, residents on the housing register and council tenants.

Despite all the achievements, there is the need for improvement with regards to collecting personal data from all the residents who have contact with the council. We rely mainly on workforce data for an internal view and the use of published data, such as the Census and projections to determine the makeup of the borough. Census data is out of date, although 2021 census data is expected this year.

Outcome Three: Use partnerships to improve access and meet individual needs as they arise

Objectives

1. Enable better education outcomes by offering support to groups who need it most
2. Support the creation of jobs that enhance quality of life
3. Services are proactive in targeting group that have accessibility issues as a result of disability, age, mental health, disability, language, digital and/or physical barriers
4. Inequalities that lead to school exclusions and young people entering the criminal justice system are addressed, specifically for black boys, white working class boys, gypsy Roma and travellers, and those accessing free school meals.

Why did we choose this outcome?

The council is aware there is still some distance to go to eliminate discrimination and reduce inequalities. It faces challenges around deprivation and inequalities in a range of domains relating to income health, education and housing.

Research has found that inequality can develop as a consequence of inter-generational disadvantage starting in early childhood and reoccurring throughout life. We know it is a set of complex needs that put children at a greater risk of repeating a cycle of exclusion experienced by their parents. Inadequate housing, poor diet, lack of access to decent open spaces and many other factors can compound disadvantage for children from less well-off backgrounds.

There are significant inequalities in educational achievement in Croydon. We will work in partnership with all Croydon schools, settings and partners to share best practice and deliver the very best for all our young people and ensure resources are targeted at and focus is on those groups that currently under-perform.

Low-wage and unskilled work, such as part-time, short-term contracts, self-employment, and insecure employment, has increased nationally and locally in recent years. The coronavirus pandemic has imposed extra strains on local communities, highlighting already-existing disparities, limiting prospects for individuals leaving school, and increasing the number of people unable to find paid work. As persons with established work skills and experience re-enter the labour market, vulnerable people such as the long-term unemployed, disabled people, and those with low reading levels are most likely to be left behind. Some of the poorest people frequently lack fundamental knowledge and abilities. As we endeavour to build an inclusive economy, the Council will engage with its partners, including developers, to continue to provide fair employment and excellent work for all, particularly those who are most excluded from the labour market.

The Council has implemented the Good Works Standard, which offers employers a framework of best employment practices and will continue to promote new and rising entrepreneurs from underserved areas.

Objective One: Enable better education outcomes by offering support to groups who need it most

We are committed to supporting all children, young people and families who live, work and play in the borough so that they are able to enjoy equality of opportunity and realise their full potential. In order to achieve this, all practitioners supporting children, young people and their families must work together effectively. Working with children, young people and families, and identifying their needs, requires a shared awareness and understanding of different levels of need as well as the most appropriate support and services.

Our social care and Education staff produce regular schools newsletter content including information and updates in relation to race, racism, and discrimination. Response to concerns raised about diversity within publications.

We have worked with schools to establish a curriculum and change group to better support groups that need it. This includes cross borough engagement and activities and links with London Borough of Hackney on schools pledge.

Objective Two: Support the creation of jobs that enhance quality of life

The Employment, Skills and Economy Team enables and supports the conditions for sustainable economic growth in the borough, developing an environment that encourages business to invest in our district centres and to employ local people with the right skills. The service encompass the following functions:

Employment and Investment - positioning the borough for growth by creating policy and practice that generates investment and collaboration, creating new jobs in the borough through inward investment and by supporting and working with our existing businesses base and external partners to enable business support that enables economic recovery;

Employment and Skills - linking our unemployed residents into jobs created by regeneration and growth through Croydon Works and other pathways to work initiatives;

Adult Learning - helping our residents move into better paid jobs and out of poverty through bespoke training and support packages, ensuring that our residents have the right skills for employment and life through CALAT (Croydon Adult Learning and Training), ensuring that our schools and colleges are equipping their students with the skills and attitudes that employers want.

Achievements:

- Croydon Works have placed 1,900 people into work & training supporting Croydon businesses with the talent they need.
- Economic Development has delivered £14,488,834 additional restrictions grant funding to 4,991 businesses.
- Working with partners to support the delivery of an externally funded programme of business support activities which include property, legal and Human resources to helping businesses access new markets and innovate in their business.
- CALAT is currently working with 2,274 learners, 4,654 enrolments, delivering 640 courses.

Objective Three: Services are proactive in targeting group that have accessibility issues as a result of disability, age, mental health, disability, language, digital and/or physical barriers

Adult Social Care:

This is integral to the service – the people we work with are mainly 18+ older people, mental health, substance misuse, physical and learning disability, sensory impairment and transitions. The service has a strong network of partner organisations who provide commissioned and voluntary support for these targeted groups.

The Croydon Interpreting service offers support in both interpreting and translations in any language required. We are working to increase visibility of and access to the service both internally and externally. We are championing the use of Easy Read and other accessible formats across the Council and with our partners. Our Sensory Impairment Team champion a range of accessible formats for the people they work with, and we share this across the Division

We design our services around the needs of our residents by using user research and user testing as the basis of all service improvements. We gather quantitative and qualitative data ahead of service design, and for operational day to day work. We work closely with Public Health colleagues, using the JSNA (Joint Strategic Needs Assessment) and other key evidence and research to inform our commissioning and service design. We gather information and routinely seek feedback and insight from residents and people who have used our services in formal and informal ways, for example:

- Carer's Survey
- Domiciliary Care survey
- Working with Croydon Health Watch
- Provider Services and Active Lives
- We are currently developing the Local Account

Children, Young People and Education Directorate

The service places significant importance in the voice of the child and the voice of the parent across our service provision. This has been vital in developing services for all clients, including those with additional accessibility requirements.

Our work with children and families takes into consideration their individual characteristics and these are taken into consideration when we provide services. For example, the social work assessments completed for parents who may have a learning need are tailored and accessible to them.

We commission independent services that provide “advocacy” for children and families (for example Bernardo’s provides support for children we care for, children who are subject to child protection plans etc.), so that their voices are heard

We undertake regular client surveys to ensure we receive feedback from children, parents and carers and understand what’s important regarding support/service.

We have adopted an early years’ strategy which includes priorities aimed at addressing inequalities. The strategy was informed by parent survey and workshops to develop the priorities.

We work with partner organisations to support newly arrived children and young people into education and community resources, including outreach. These particular vulnerable young people have specific accessibility needs, and the Council works quickly to ensure these are understood and to identify immediate needs, including appropriate safeguarding checks.

Most of our outwards facing staff (social workers, social worker assistants, personal advisers etc.) have received training around promoting equal opportunities for service users. The access to systemic training further enhances the knowledge and skills of staff working with a diverse group of residents.

Objective Four: Inequalities that lead to school exclusions and young people entering the criminal justice system are addressed, specifically for black boys, white working class boys, gypsy Roma and travellers, and those accessing free school meals.

What has happened?

One quarter of children in the borough grow-up in poverty. Child poverty varies significantly across the Borough. Although the overall proportion of children in poverty has reduced, the areas with the highest rates of child poverty have remained the same namely: New Addington, Fieldway, Broad Green, Selhurst and Thornton Heath. Almost four times as many children live in poverty in Fieldway (30%) than Sanderstead (8%).

Food insecurity has increased significantly. The growth of food banks is symptomatic of the poverty some residents face, with new migrants, young people without work, training or financial support from their family, those with mental health conditions, those on low wages and sanctioned benefit claimants among the poorest and most marginalised in the community.

Key Actions

The Council has collaborated with several partners to undertake a number of initiatives and approaches which have contributed towards combating the impact of child poverty. Some of the key actions taken so far include:

- During the pandemic, we were assisting in funding food and activities in excess of £1 million.
- Continued to Improve the implementation and uptake of free school meals, helping thousands of children in the Borough claim free school meals.
- Increased uptake of free childcare provision in the borough.

Whilst significant work has been undertaken to provide accessibility to free school meals, more work is needed to include more schools within the scope of operation. This is still work in progress and not where it needs to be. Some schools do not fall under the jurisdiction of the local authority and some young people who are residents, school outside of the borough. However, some exclusions remain avoidable and there is a long way to go with this outcome.

The number of young people entering the criminal justice system for the first time has remained fairly stable. There has also been a reduction in youth re-offending rate. Between January 2021- December 2021, there were 31,922 number of crimes (83 per 1,000 persons), with anti-social behaviour (29.7%) and violence and sexual offences (30%) accounting for the highest percentage of crime. Whilst crimes relating to anti-social behaviour in Croydon is higher than national figures (22%), it is lower than that of London (34%). In contrast, crime relating to violence sexual offences are lower in Croydon (30%) compared to 32% nationally.

Outcome Four: People in Croydon are supported to be in good health

Objectives

1. To work with partners to tackle social isolation and bring people together.
2. Work with our partners uses our knowledge of specific health challenges to support improvements.
3. We work with our partners to open the door to health services and support them to make sure residents know where and how to access services.

Why we chose this outcome

The Annual Report of the Director of Public Health for 2018 identified a number of significant inequalities in health outcomes in the Borough. Health inequality speaks about differential and avoidable differences in health and wellbeing outcomes amongst people who are otherwise equal.

'Inequalities in health arise because of inequalities in society – in the conditions in which people are born, grow, live, work and age. The magnitude of health inequalities is a good marker of progress towards creating a fairer society. Taking action to reduce inequalities in health does not require a separate health agenda, but action across the whole of society'.

Within Croydon we have embraced a preventative model, working with communities at a locality level to reduce the likelihood or impact of a range of issues.

Harms caused by COVID-19 have amplified existing health inequalities, and in some cases increased them. The largest disparity found was age, but the risk of dying among those diagnosed with COVID-19 was also higher in males, than females; higher in those living in the more deprived areas than those living in the least deprived; and higher in those in Black, Asian and Minority Ethnic (BAME) groups than in White ethnic groups. Ongoing effects of the

economic impact of COVID related restrictions are also widening inequalities e.g. by disproportionately affecting workers who are female, young and on low-incomes.

The Croydon Health and Wellbeing Board already has reducing health inequalities at its heart as an overarching theme for the Croydon Health and Wellbeing Strategy, and in its delivery through the Health and Care Plan.

Objective One: To work with partners to tackle social isolation and bring people together

Significant work has been undertaken to tackle social isolation and bring people together. From targeting youth work to distributing grants to organisations working with vulnerable people over the age of 60 and collaborating with entities to provide welfare calls to residents, the Council is ensuring significant impacts are made where it is needed the most. Our statutory care services do important work, but initiatives like this are a key tool to reach as many vulnerable residents as possible, identifying any additional support that might be needed.

We are working with Voluntary & Community Sector partners to increase the number of volunteers addressing social isolation and support families in the community. Our Localities work with One Croydon and our Person Centred good conversations are anchored in our partnership working. An example is the Local Community Partnerships events in Croydon

Through the Community Fund, the Council commissions Croydon Voluntary Action to provide a volunteers service, as part of the infrastructure support in place for VCS organisations. This matches volunteers with organisations, many of which address social isolation, for example lunch clubs. We continued to encourage Council staff to volunteer on social priorities within Croydon. Many residents are familiar with us already, having built relationships through COVID-19 befriending work. It is great we now can continue this contact with a consistent approach across all partner organisations.

We work with our partners to open the door to health services, and support them to make sure residents know where and how to access services.

A key part of our work is the localities ICN+ and the Integration of Health and Care (ICS), part of this is the 'Talking Points' where residents are supported and signposted to a variety of statutory and non-statutory services that will help them to live independent lives.

The key actions that the Council has taken to deliver this outcome so far include:

- COVID support – funded a number of community grants, to those who are vulnerable and excluded. Befriending services are also supported.
- Council grants to provide welfare checks for elderly residents across Croydon. Asian Resource Centre of Croydon (ARCC), Croydon Neighbourhood Care Association (CNCA) and Age UK Croydon will be working together to each provide welfare calls to 500 residents. The joint Winter Check Calls project will focus on people who are known to their organisations but not currently in receipt of statutory council-run adult social care services. Following calls, each organisation will consider necessary onward referrals within the three partner organisations, council, or other sources of support. All 1,500 residents will be contacted by the end of March 2022. Partners have begun reaching out to residents already and are getting a great response from calls.
- The Council continued to support residents with the confidence and access to use the internet, thereby improving social inclusion.
- We worked in partnership with the Clinical Commissioning Group and GP practices to support outreach services, work within communities to signpost socially isolated people to services and promote online and offline directories of services. This has a positive impact on mental health and social isolation and helped to reduce the use of costly statutory services.

No doubt, more work is required with key strategic partners to address common issues of EDI and isolation. We can learn from each other and improve our practice. Whilst we are making a significant and positive difference when and where it is most needed, more targeted youth work is required.

Case Study: Partnerships for an integrated community - Asian Resource Centre of Croydon (ARCC), Croydon Neighbourhood Care Association (CNCA) and Age UK Croydon

The Council partnered with three organisations; Asian Resource Centre of Croydon (ARCC), Croydon Neighbourhood Care Association (CNCA) and Age UK Croydon to facilitate welfare calls for 1500 residents with a focus on isolated individuals without easy access to the Council's services. Entities will individually identify people that are not in receipt of statutory

adult social care services offered by the Council. The calls are intended to check on the safety and wellbeing of individuals, and provides a medium to informally assess individual circumstances, all with a view to providing the required follow up support leveraging Council, organisation or other third-party resources.

Sue McVicker, the Chief Executive Officer for Croydon Neighbourhood Care Association explained that:

“CNCA are pleased to work with partners to call or visit vulnerable adults across the borough, ensuring they are safe and well. By working in partnership, we can fast track anyone we are concerned about to adult social care or for support with getting food, medication, and housing or benefit advice”

The Council recognises the importance of its statutory services. However, this project has demonstrated the importance of support and partnerships to reach the isolated group and bring about the most desirable social impact where it is needed.

The same sentiment was echoed by Ima Miah, chief executive officer for Asian Resource Centre of Croydon who argued that:

“There is incredible human value to a personal call during the winter when elderly people are more likely to be isolated. These calls can identify areas for further support but also provide helpful informal troubleshooting discussions around everyday issue”

The importance of the programme was further highlighted by Susan Underhill, programmes director for Age UK Croydon, who asserted that:

“This programme is providing a timely resource to support older people in Croydon during what is always a challenging winter period. It is helping Age UK Croydon to work with partners to reach out for a friendly, person centred phone conversation to understand individuals’ situations and connect them with support and solutions”.

Overall, the project has demonstrated a positive outlook and targeted the Council’s goals for impact. The project is set to end in March 2022.

Objective Two: Work with our partners and use our knowledge of specific health challenges to support improvements.

We have a statutory public health function, which works across the organisation to focus on improving population health and wellbeing. Improvements in life expectancy and reductions in preventable deaths partly reflect changes in lifestyle over time. Good overall performance however masks significant variation within the borough which continues to be an issue. Outcomes still tend to be poorer in areas of higher deprivation. Lifestyle advice and support is being brought together through the Live Well programme, an integrated lifestyle programme with the overarching aim of reducing health inequalities across the borough.

The Council has established a health and well-being steering group over the past year driving several mental health initiatives. Some of the actions we have taken to achieve this outcome include:

- Mental Health first aid (MHFA) training, mental health first aid champion training, mandatory eLearning on mental health has been on offer for a year. Over eighty individuals attended all the thirteen sessions held between January 2021 and January 2022. Courses such as MHFA, MHFA Refresher, MHFA half day awareness, and MHFA Champions were facilitated to cater to requirements of the target groups.
- We are developing a health and wellbeing strategy for the workforce. This will be interdependent with a new workforce strategy for 2022-2026.

We are updating our public health service plan. The plan outlines all our key areas of health and wellbeing. A brief summary is below:

- Children and Young People - To work strategically with partners to ensure those children's needs are met, also looking at how vulnerable adolescents can be supported.
- Sexual Health - Commissioning and collaborating on universal and targeted services and advice around contraception, relationships, sexually transmitted infections (STI) (including HIV) and abortions across the complex matrix of providers and stakeholders.

- Mental Health and Substance Misuse - Responsible for planning and commissioning substance misuse prevention and treatment services for all ages. This includes harm reduction services such as needle exchange services.
- Healthy Lifestyles - Enable individuals to make healthy choices and give communities the tools to address their own particular needs.
- Health Protection - Work in partnership with the local health, social, public and private agencies to prevent or reduce the harm from infectious disease and environmental hazards.
- Health and Care Integration- One Croydon - Work in partnership to determine the strategic direction for the One Croydon Alliance, ensuring a focus on reducing health inequalities and a population perspective to health management.
- Health Intelligence - Statutory duty to fulfil public health functions by using the best available appropriate health intelligence and evidence.
- Creating, Leading, and Enabling Partnerships & System Leadership - Creating and establishing opportunities for collaborative working by combining the relative strengths of different stakeholders.
- Healthcare Public Health - Providing public health advice and expertise to the CCG as well as the Local NHS- some of this is included in the memorandum of understanding (MOU) with Croydon CCG.

Objective Three: We work with our partners to open the door to health services, and support them to make sure residents know where and how to access services

We have taken several steps to achieve this objective including:

- COVID Testing service co-located in the Alwynne Club, libraries, fire stations, community centres e.g. Shrublands, scout halls, vaccine sites.
- COVID van to promote testing and vaccination.
- There has been extensive door to door information-giving about testing, vaccination and wider health and wellbeing in high risk and deprived areas – over 127,000 doors knocked on, with 73,000 conversations around testing, 66,000 around vaccines, 22,000 around COVID isolating and 10,000 about other health issues.
- The One Croydon team produce monthly newsletters and have just started a Facebook account. Information is shared via the GP social prescribers and the Local Community Partnership meetings.
- The Community Mental Health First Aiders programme is reaching into community groups who would not normally have access to this type of training. Likewise the newly commissioned trauma informed training. The learning here is that the equal opportunities form needs to be integrated into the training application form, or the data is not sufficiently complete. Over 200 different community groups have been reached through this training. Over 600 people have been trained.
- MHFA Posters and postcards for use by people and groups in the community who do not use social media to let people know about the MHFA training.

It is worthy of mention that since August 2021, we have employed several community assets in tackling this objective. These assets were co-created with Printwell and include:

- Article in Open House
- Tower block posters for communal living

- Headline flyer
- Pavement signage
- 4 page pamphlet
- Wear a face covering poster for businesses
- Safe working in council buildings
- Feedback form
- Online survey (not attached)
- Van wrap (inside back)
- Van wrap (outside)
- Panels for testing screens
- BME Croydon flyer
- High vis jackets

REPORT TO:	Cabinet 21st March 2022
SUBJECT:	Financial Performance Report – Month 10 (January 2022)
LEAD OFFICER:	Jane West, Corporate Director of Resources (Section 151)
CABINET MEMBER:	Councillor Callton Young OBE Cabinet Member for Resources and Financial Governance Councillor Stuart King, Deputy Leader (Statutory) and Cabinet Member for Croydon Renewal
SUMMARY OF REPORT:	
<p>This report provides the Council's annual forecast as at Month 10 (December 2021) for the Council's General Fund (GF), Housing Revenue Account (HRA) and the capital programme. The report forms part of the Council's financial management process of publically reporting financial performance against its budgets on a monthly basis.</p>	
FINANCIAL IMPACT	
<p>The Month 10 position is currently indicating a net underspend of £1.570m against budget – this represents a £0.244m adverse movement against the Month 9 forecast. This is before taking into account further risks and risk mitigations. In total, £1.876m (Month 9 £3.055m) of further risks are identified but there are £1.500m (Month 9 £2.725m) of potential opportunities to mitigate the risk, these are set out in the body of the report. Section 3 details these risks and risk mitigations and further discusses the impact on the General Fund if these were to materialise.</p> <p>The HRA is indicating an over spend of £1.281m (Month 9 £1.725m) against budget. This overspend is further detailed within Section 5 of the report.</p> <p>The Capital Programme in projecting £194.1m by the end of the financial year against a budget of £373.8m.</p>	

1.	RECOMMENDATIONS to Cabinet:
1.1	Note the General Fund is projecting a net adverse movement of £0.244m from Month 9. Service directorates are indicating a net £1.480m overspend (Month 9 £1.236m) but this is projected to be netted off against £3.050m underspend within the corporate budget.
1.2	Note that a further number of risks and compensating opportunities may materialise which would see the forecast year-end variance change and these are reported within Section 3 of this report.
1.3	Note the Housing Revenue Account (HRA) is projecting a £1.281m (Month 9 £1.725m) overspend for 2021/22. If no further mitigations are found to reduce this

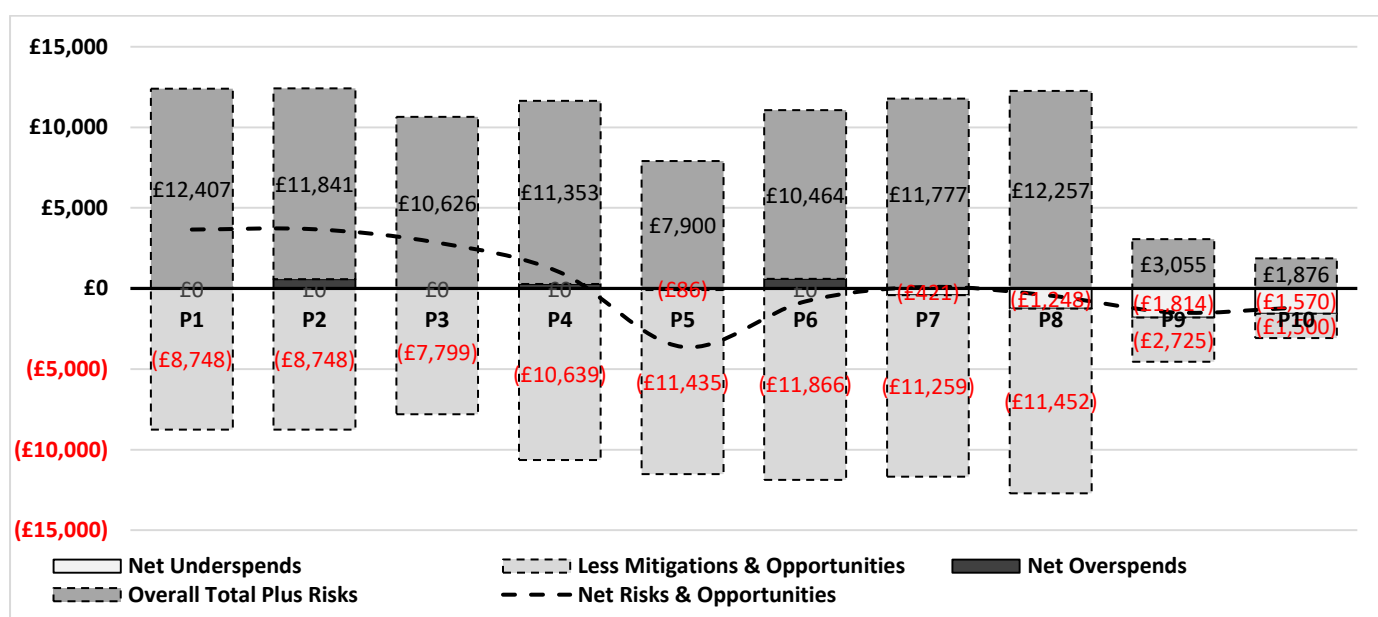
overspend the HRA will need to drawdown reserves from HRA balances. There are sufficient balances to cover this expenditure.

- 1.4 Note the capital spend to date for the General Fund of £58.323m (against a budget of £131.897m) and for the HRA of £12.075m (against a budget of £183.209m), with a projected forecast variance of £5.362m on the General Fund against budget and £121.002m forecast variance against budget for the Housing Revenue Account. All variances are projected to be slipped into future years but this will be reviewed once the outturn position has been confirmed.
- 1.5 Note, the above figures are predicated on forecasts from Month 10 to the year end and therefore could be subject to change as forecasts are refined and new and updated information is provided on a monthly basis. Forecasts are made based on the best available information at this time.
- 1.6 Note that whilst the Section 114 notice has formally been lifted, the internal controls established as part of the S114, such as the Spend Control Panel and Social Care Placement Panels remain. Restrictions have been lifted for ring-fenced accounts such as the Pension Fund, Housing Revenue Account and Coroner's Expenditure as these are directly outside of the General Fund's control. The Spending Control Panel which was set up at the beginning of November 2020 continues to meet on a twice daily basis.

2. EXECUTIVE SUMMARY

- 2.1. The Financial Performance Report (FPR) is presented to each Cabinet meeting and provides a detailed breakdown of the Council's financial position and in year challenges it faces. It covers the GF, HRA and capital programme and ensures there is transparency in our financial position, enables scrutiny by both Members and the public, and offers reassurance regards to the commitment by Chief Officers to more effective financial management and disciplines.
- 2.2. The General Fund revenue projected outturn forecast has worsened by £0.244m from a forecast underspend position of £1.814m in Month 9. There are a further set of risks and opportunities, which indicate net risks of £0.376m (risks £1.876m and opportunities of £1.500m), but not yet sufficiently developed to be included in the outturn forecast. Should these materialise it will have a negative impact on the forecast.
- 2.3. The chart below illustrates the trend in the monthly monitoring reports and shows both the forecast as well as quantum of risks and opportunities together with the impact should all risks and opportunities fully materialise (dashed line). The trend indicates the Council will deliver within its budget plan.

Monthly Forecast, Risk & Opportunity Tracker



- 2.4. The Month 10 forecast incorporates detailed work to stress test Risks and Opportunities and to ensure these are now firmed up as we approach financial year end. All risks and opportunities that we know have materialised have now been included within the forecast and only items that have a good confidence level have been included within this report and forecast.
- 2.5. The Housing Revenue Account is forecasting an overspend of £1.281m (a decrease of £0.444m on the Month 9 forecast of £1.725m). This favourable projected variance will be met from HRA reserves.
- 2.6. The capital programme for both the General Fund and HRA is reporting expenditure to date of £70.398m against overall budget of £373.790m, with a forecast underspend of £121.002m.
- 2.7. The 2020/21 financial year was a very difficult year for the Council. The Council issued two Section 114 notices as the Council had insufficient resources to meet its in year expenditure pressures.
- 2.8. Since 8th March 2021 the S114 notice has been lifted as the Council received confirmation of a Capitalisation Direction from MHCLG of up to £70m for 2020/21 and MHCLG (Now DLUHC) were minded to fund £50m for 2021/22. The latter allowed the 2021/22 budget to be set.
- 2.9. The Council has had the benefit of a number of recommendations from various stakeholders and scrutiny panels such as the external auditor's Report in the Public Interest and the Non-statutory Rapid Review by MHCLG. Their recommendations have been taken on board and the Croydon Renewal Plan has been developed which will over the medium term financial strategy period restore the Council's finances, improve culture and practices and develop a more effective system of internal control amongst other improvements to the Council.

- 2.10. As of 26th January 2022 the Council's external auditors, Grant Thornton issued a second Report in Public Interest report in relation to capital expenditure on Fairfield Halls. Whilst this report indicates significant governance and financial management breakdowns in the past, the report will not result in additional financial costs to the Council going forward. All accounting corrections and financial implications have been included within 2019/20 and 2020/21 accounts. The report provided for 12 recommendations that the Council has begun work on and these recommendations will be included within the Council Renewal Plan.
- 2.11. This report forms part of the reporting framework on the delivery of the Croydon Renewal Plan by ensuring the delivery of the council's budget is reported monthly and transparently.
- 2.12. The Council is still working with the external auditors on finalising the 2019/2020 and 2020/2021 audit of accounts.

3. FINANCIAL POSITION

- 3.1. The FPR shows that the Council is forecast to have a General Fund net underspend variance of £1.570m– an adverse movement of £0.244m on the net forecast reported at Month 9.
- 3.2. Directorate teams and Finance colleagues meet monthly to review the forecast position for each area and including risks to reduce any overspends and identify further options to mitigate these. A list of Risks and Opportunities are provided within various tables within this section.
- 3.3. The forecast outturn position of the General Fund is shown below in Table 1.

Table 1 – Month 10 Projection per Directorate

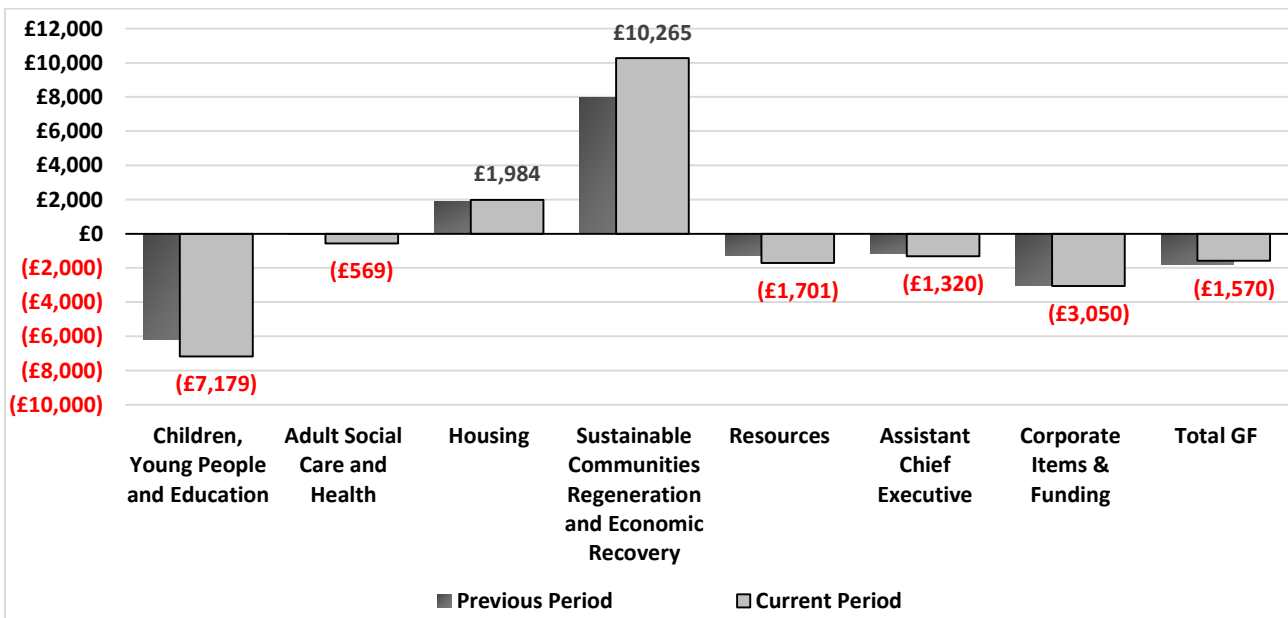
	Month 10	Month 9			
	Forecast Variance	Forecast Variance From Previous month	Change from previous month	Savings Non-Delivery	Other Pressures
	(£,000's)		(£,000's)	(£,000's)	(£,000's)
Children, Young People and Education	(7,179)	(6,179)	(1,000)	118	(7,297)
Adult Social Care and Health	(569)	(28)	(541)	-	(569)
Housing	1,984	1,891	92	-	1,984
Sustainable Communities Regen & Economic Recovery	10,265	7,970	2,295	5,135	5,130

Resources	(1,701)	(1,270)	(431)	-	(1,701)
Assistant Chief Executive	(1,320)	(1,148)	(172)		(1,320)
Departmental Total	1,480	1,236	244	5,253	(3,773)
Corporate Items & Funding	(3,050)	(3,050)	-	-	(3,050)
Total General Fund	(1,570)	(1,814)	244	5,253	(6,823)

3.4. Net overspends and underspends within the service budgets are presented as forecast variance (as per Table 1), and are additionally classified as either non-delivery of agreed in year savings or other pressures which were not foreseen. Non-delivery of savings, which totals £5.253m relates to the non-achievement of the approved MTFS savings whilst other pressures are as a result of new and external pressures not previously provided for within the Council's 2021/2022 Budget. Further explanations of these overspends are provided within Section 4 of this report.

3.5. The chart below shows the forecast by service department for both the current and previous month:

Change in forecast position Month 10



3.6. The main areas of movement from Month 9 are as follows:

- Adult Social Care and Health has moved **favourably** by £0.541m due the service continuing to maintain vacancies to deliver services more efficiently.
- Sustainable Communities, Regeneration and Economic Recovery is indicating an **adverse** movement of £2.295m due to further reported lower than expected

income from parking services. This additional pressure was previously flagged as risk and due to further work it is now expected to crystallise by year end. As previously reported further work has been ongoing with the service to better understand parking transactions and the impact Covid19 has had on the service and forecasting income. The ongoing impact of Covid on parking behaviours and reduced demand for car parking is the cause of the reduced parking income and as such the service has not been able to balance its budget.

- Resources is indicating a £0.431m **favourable** movement relating to continued and improved staffing underspends across various teams.
- Housing is indicating a minor £0.092m **adverse** movement due to continued review of bed and breakfast forecasts.
- Children Young People and Education indicating an overall £1.000m **favourable** movement due to further reductions within the placement spend, and a review of Purchase order commitments.
- No further changes to Corporate items.

Further details can be found in section 4 of this report.

Risks and Risk mitigations

- 3.7. As mentioned within paragraph 3.1 the forecast has been reported excluding further potential risks and risk mitigations. Risks and risk mitigations are split into quantified and unquantified items. Risks previously reported in Month 9 have now been tested and scrutinised to determine the likelihood of those risks occurring. Where such position is now certain that risk has been included within the forecast in Table 1.
- 3.8. As with the forecast set out in Table 1 risks are separately reported for those elements that relate to potential under-delivery of approved savings, and those that are new and not directly related to agreed savings plans.
- 3.9. All MTFS savings have been reviewed and now form part of the forecasts and there are now no MTFS savings being identified as risks. The savings are subject to a separate assurance process involving both the Chief Executive and the Corporate Director of Resources (Section 151) meeting with the directorates and the Director of policy and programmes.
- 3.10. These meetings identify savings at risk and mitigations for both the current and future years. Where risks are quantified currently, these are based on high level information and directorate experiences of the service. Parking Savings continue to be an issue due to further considerations of the March Budget decisions and therefore with 10 months of the year now passed it is likely these specific savings will not be delivered in full.
- 3.11. The rest of the services are sufficiently confident in being able to manage or mitigate these risks that they are not included as part of the present forecast year-end position. However, the figure has been provided to indicate to Cabinet the likely financial impact

on the budget and therefore the need to take action to deal with the risk should they materialise.

- 3.12. Section 4 gives details of all the movements between Month 10 and Month 9 and identifies any movements in delivery of MTFs savings, risks and mitigating items that are factored into the forecast assumptions. Service managers have identified these as potential mitigations to the risks identified in table 2. Any additional risk mitigations also help the overall financial position of the Council as these would help generate a larger underspend that can be put away into reserves to support future MTFs gaps.

Table 2 – Other quantifiable and unquantifiable risks

Quantified Risks	P10 £'000	P9 £'000	Details of Risk
Children, Young People and Education	0	160	
Adult Social Care and Health	550	550	£550k – Continued risk of increased placement spend due to transitions from Children Social Care into Adult Social care.
Housing	396	396	£96k - Demand for Emergency/Temporary Accommodation likely to increase. £300k Bad debt costs - Arrears are increasing since 2020/21 due to lower collection rates in the first part of the year (Covid related). When this debt becomes 'former' as tenants move on then recovery rates drop to between 5% and 30%. Potential additional debt costs of £300k-£800k beyond total presented based on current calculation methods.
Sustainable Communities Regen & Economic Recovery	1,000	1,859	£1,000m -Fines income is lower than anticipated due to higher than expected compliance by drivers in the borough. Parking income has reduced due to the ongoing impacts Covid has had on driver behaviours. A new Parking Model has been developed to assist the service to take account of the forecasting of likely income from parking activity. The service is using this improved model to explore and better forecast potential income to the council.
Resources	0	90	
Assistant Chief Executive	0	0	
Total Quantified Risks	1,876	3,055	

Un-Quantified Risks	P10 £'000	P9 £'000	Details of Risk

Children, Families and Education	-	-	None
Adults, Health and Social Care	-	-	Impact of long Covid - not quantifiable at this stage
	-	-	<p>Care sector pressures - The pressures in the social care sector nationally are well known. There are high levels of vacancies within the service and difficulty recruiting to the posts. This may result in providers not being able to provide care safely or within their financial envelope. Increasing utility costs is also a financial pressure. These additional pressures may lead to provider failure and the need to re-provision care with other providers which usually results in higher costs.</p> <p>In addition general unknown additional costs related to placements could result in further costs particularly as we find more patients being discharged from hospital having long Covid symptoms and needing additional and prolonged care.</p>
Housing	-	-	None
Sustainable Communities Regen & Economic Recovery	-	-	None
Resources	-	-	Unreconciled holding accounts for BIDS, HR Staff Loans and P-Cards. Risk that holding accounts will not be able to be reconciled and some balances transferred as pressures into forecast
Corporate Items & Funding	-	-	None
Assistant Chief Executive	-	-	Coroners - risk that Croydon's contribution to the Coroners service will increase beyond the current forecast
Total Un-Quantified Risks			

3.13. Table 3 provides a list of quantified and unquantified risk mitigations. These are potential risk mitigations that will require further assurance to be included within the forecast. Service managers have identified these as potential mitigations to the risks identified Tables 2 and 2b. Any additional risk mitigations also help the overall financial position of the Council as these would help generate a larger underspend that can be put away into reserves to support future MTFS gaps.

Table 3 - Quantifiable and unquantifiable opportunities

Quantified Opportunities	P10 £'000	P9 £'000	Details of Opportunities
Children, Young People and Education	-	(1,000)	Placement Costs - Review of Accrual brought forward
Adult Social Care and Health	(1,377)	(1,377)	The £1.377m benefit is a combination of further impact of Covid health funding (known as Scheme 3 funding in 2021/22) on care packages and Continuation of Hospital Discharge Policy funding until March 2022
Housing	-	-	
Sustainable Communities Regen & Economic Recovery	0	0	None
Resources	-	(100)	£100k within Revs and Bens - There is the probability that the court cost income raised could be higher than what is currently being forecast.
Assistant Chief Executive	(123)	(248)	£123k – Croydon Digital Services - Opportunity of reduction in payment to contractors upon review of performance measures at year end.
Corporate Items & Funding	0	0	Covid Grant has now been applied in the forecast.
Total Quantified Opportunities	(1,500)	(2,725)	
Un-Quantified Opportunities	P10 £'000	P9 £'000	Details of Opportunities
Children, Young People and Education			Potential further savings as part of the review of placement costs
Adult Social Care and Health			None
Housing			None
Sustainable Communities Regen & Economic Recovery			None

Resources			None
Assistant Chief Executive			The council has received Control Outbreak Management Fund grant. Council have carried out work on the conditions of the grant and have understood how this can be applied. Further work will done to allocated funding to meet the grant conditions. Any underspends will be carried forward into next year.
Corporate Items & Funding			None
Total Un-Quantified Opportunities			

3.14. As at Month 10, if all risks and risk mitigations were to materialise, along with the forecast reported in Table 1 the General Fund would underspend by £1.194m (Table 4), however some of the risks and mitigations will need time and validation to confirm the likelihood of them materialising. The situation will be clarified shortly as the year comes to a close on 31st March 2022. Service managers have been instructed all year to identify and implement mitigations to spend within their approved funding envelopes.

3.15. The impact of the Covid pandemic has continued throughout the financial year. In particular parking and traffic income continues to be affected for which part grant compensation is only receivable for the first quarter of 2021/22. Other pressures such as SEN costs have been impacted in delays in delivering travel training to clients thus impacting on transport cost pressures.

4. SERVICE VARIANCE DETAIL

4.1. Children, Young People and Education (CYPE)

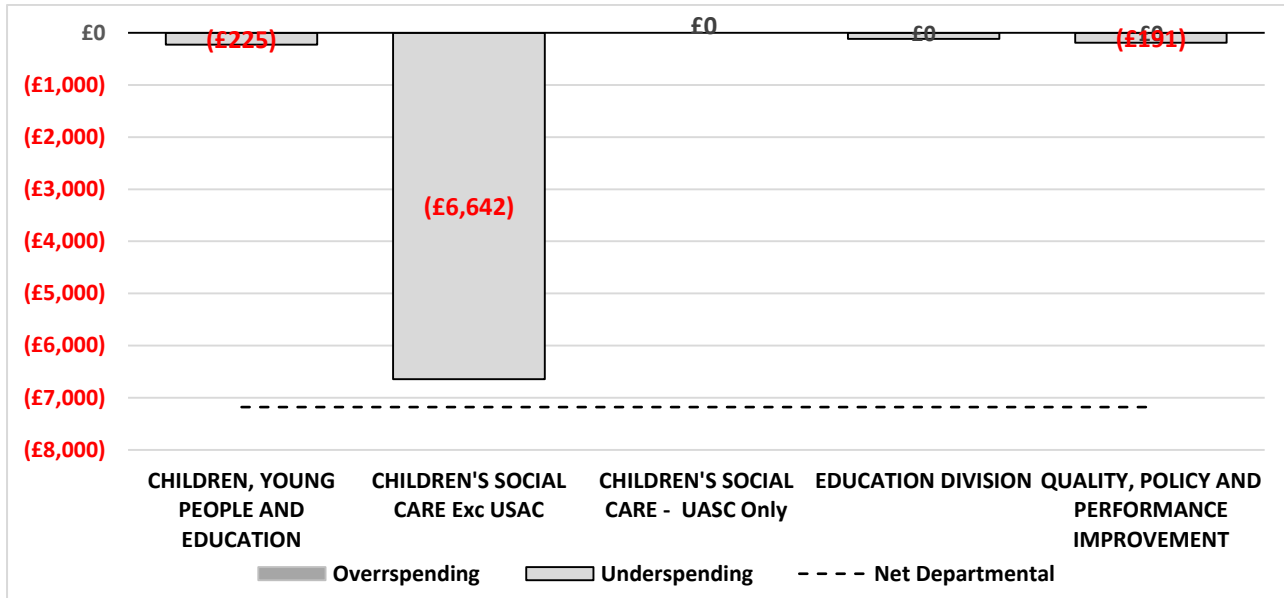
The CYPE directorate is forecasting a £7.179m underspend for Month 10 (favorable movement of £1.0m from Month 9) within the directorate.

The main cause of the underspends are the receipt of additional Grant Income as well as underspends in relation to Children with Disabilities where the Covid Pandemic has had a significant impact. Further underspends in relation to U18 placements and within Leaving Care are attributed to improved commissioning of placements as well as an overall reduction in the numbers of children becoming Looked After due to the ongoing drive to support young people and families within their own communities where appropriate. Staffing underspends are a product of a challenging and volatile market and our priority to recruit permanent staff.

There are no MTFs Savings at risk at Month 10 or opportunities being identified.

The following chart illustrates the divisional forecast variances within Children Young People and Education:

Divisional View of Children Young People & Education Forecasts



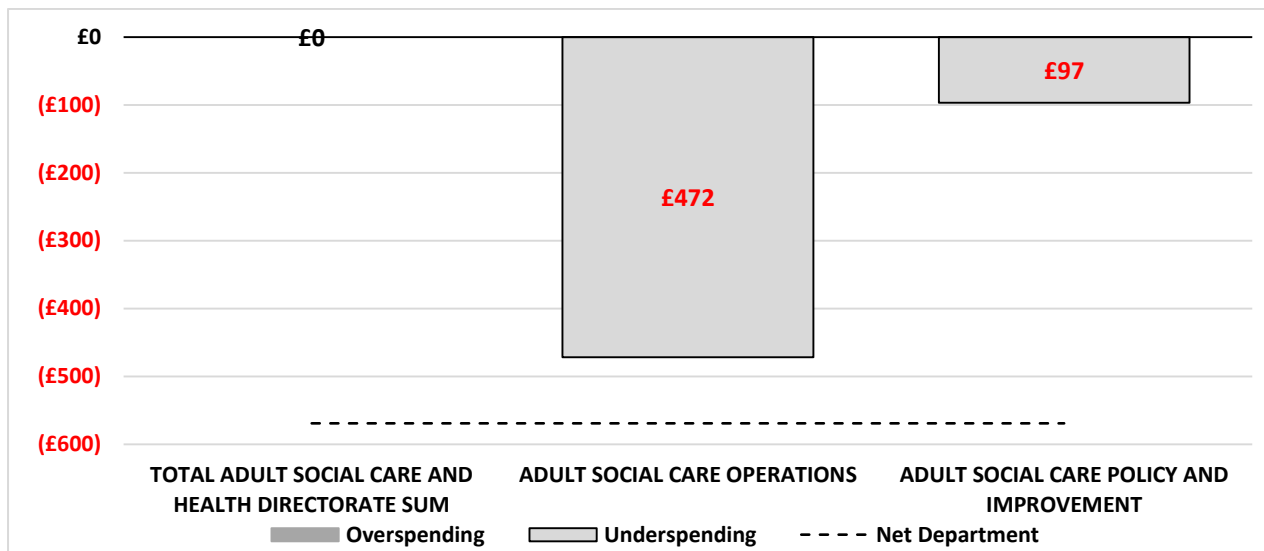
4.2 Adults Social Care and Health Social Care (ASCH)

The ASCH directorate are forecasting an underspend of £0.569m, a favourable movement of £0.541m from Month 9. This movement is mainly due to staffing vacancies which have not been recruited to.

Table 2b identifies a further £0.550m of potential additional risks. The risks identified that relate to transitions of children social care clients to adult services. Whilst the service has had 10 months of actual data it is still plausible that a single case with a significant care package could result in increased costs for the service.

There are no MTFs savings at risk of delivery and there are unquantified risks due to continued impact of long Covid. There are opportunities identified of £1.377m due to potentially further improvements in placement spend, an improvement of £0.070m. The following chart illustrates the divisional service forecast variances within Health, Wellbeing and Adults:

Divisional View of Adult Social Care and Health Forecasts



4.3 Housing

Housing Directorate is forecasting an overspend of £1.984m. This is an adverse movement of £0.092m to the projection reported at Month 9.

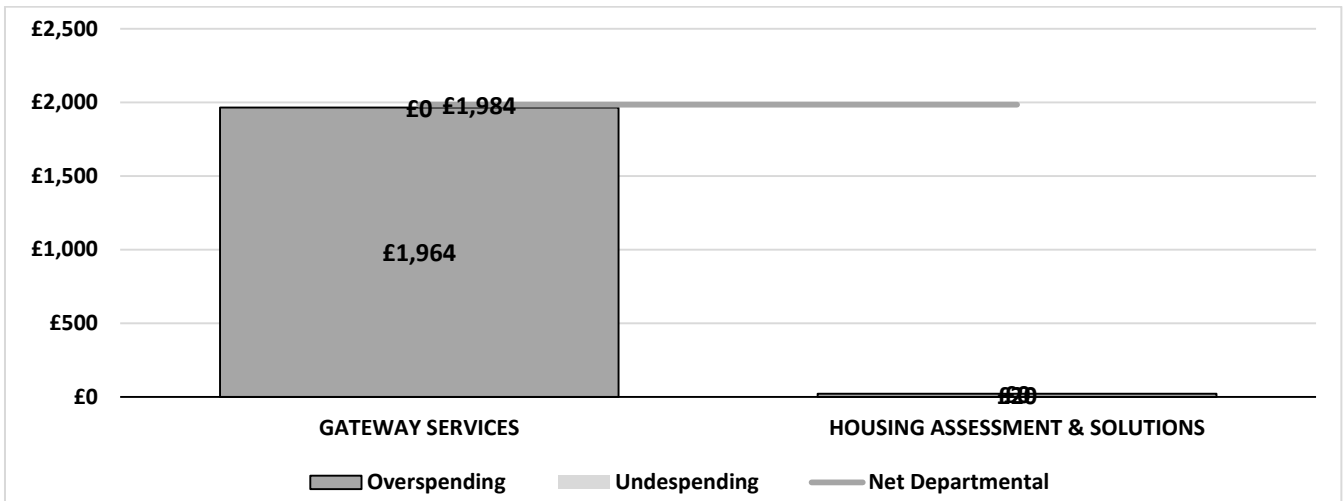
The cause of this slight movement relates to further general operational efficiencies within the service.

Furthermore the service has identified £0.326m of other risks relating to potential further temporary accommodation pressures emerging between now and the end of the financial year. Further work will be done to ensure the bad debt risks are minimised and that the risk does not materialise.

There are no MTFS savings at risk of delivery, however further unquantified risks due to housing demand pressures and income collections risks have been identified. Additional grant funding of £1.51m has been received from Government to tackle homelessness through prevention work. This grant comes with significant conditions in terms of its usage and the service are working to apply the grant as per the conditions and whether it can be applied towards reducing in year pressures. However, due to the time taken to mobilise prevention work it is felt that there is a strong chance that the grant will not benefit the Council in the current year but will support future year homelessness costs.

The following chart illustrates the divisional forecasts within the department:

Divisional View of Housing Forecast



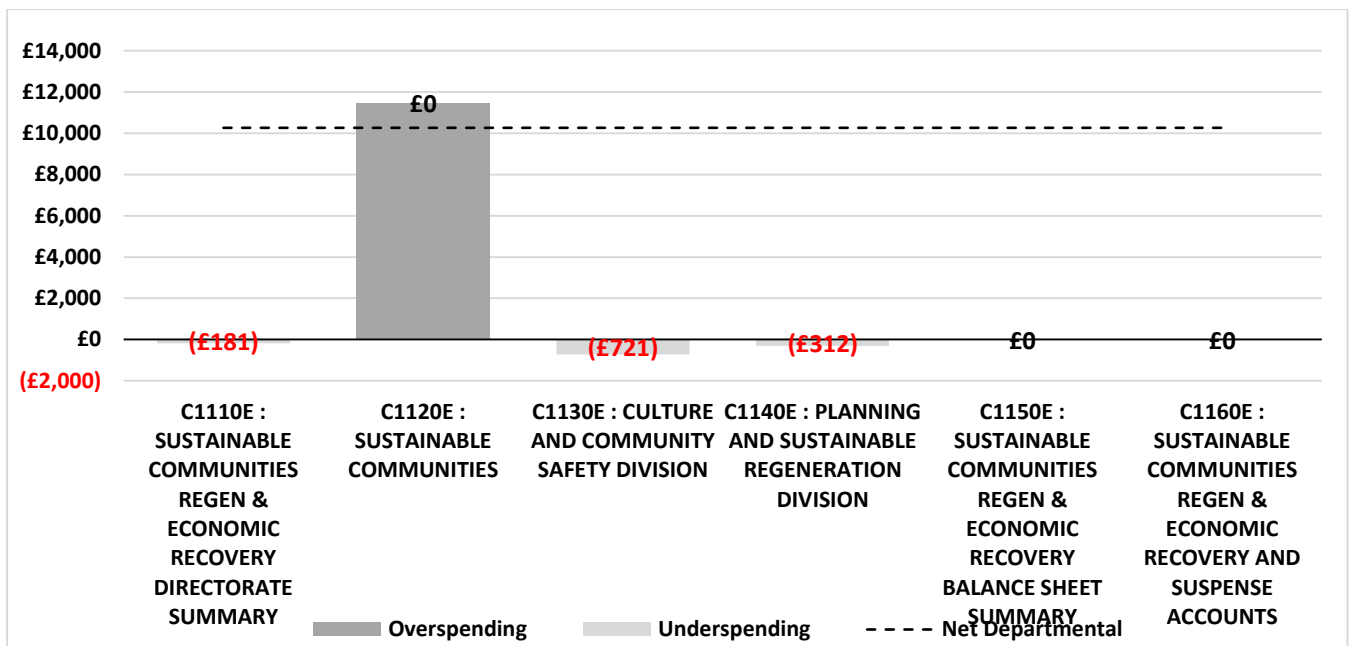
4.4 Sustainable Communities Regeneration & Economic Recovery (SCRER)

The SCRER directorate is forecasting a net overspend of £10.265m (an **adverse** movement of £2.295m from Month 9). The pressures continue to be around Highways (including Parking Services), SEN Transport and Environmental services. Included within the total projected overspend is £5.134m of lower than anticipated parking income. The adverse movement from month 9 to 10 is purely related to Parking income and has continued to be impacted by lower demand for car parking as cautiousness remains due to risks of Covid.

In addition to the forecasted overspend, SCRER directorate have provided for further risks as indicated in Table 2b. The risks of £1.000m relate to continued lower than expected parking income and high compliance by drivers generating fewer than expected fines. A detailed review of the MTFs savings that were at risk have been carried out and these are now being delivered or form part of the forecast outturn where these are now deemed to not be able to be delivered or mitigations not materialised. There are no further opportunities identified by the SCRER directorate.

The following chart illustrates the nature of the overall SCRER Directorate forecast position by Division:

Divisional View of SCRER Forecasts



4.5 Resources

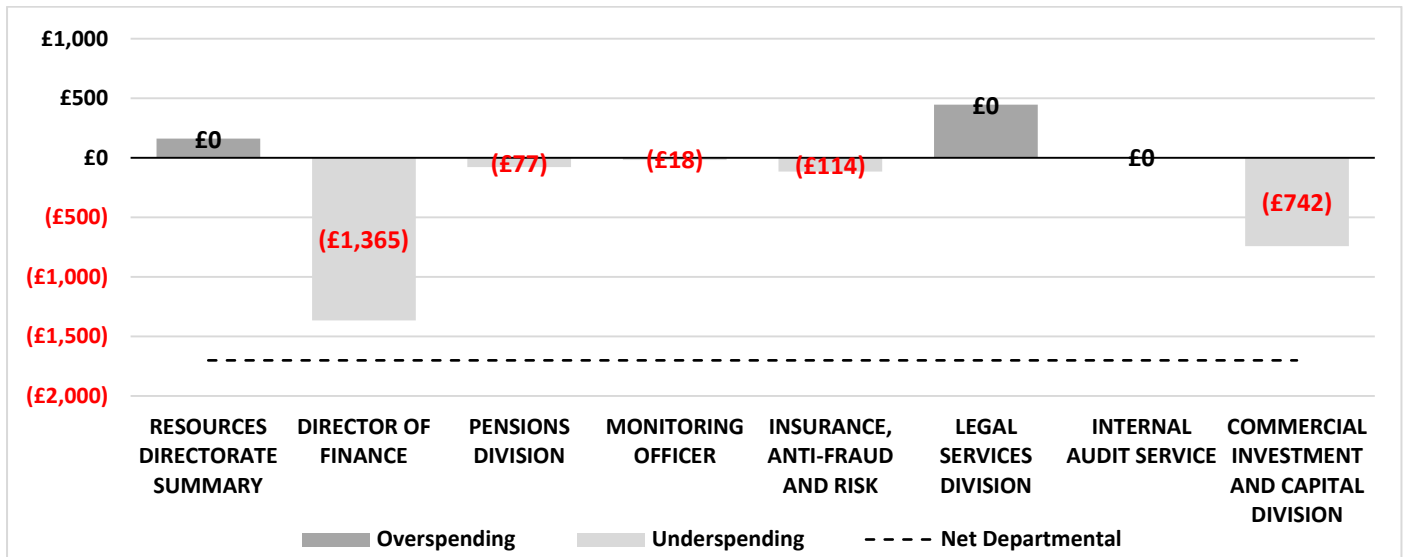
The Resources directorate is forecasting a underspend position of £1.701m (underspend £1.270m in Month 9). This is a net position after factoring all budgeted income and expenditure within the directorate.

The main reasons for this underspend relate to better than projected collection of court cost income in relation to Revenue & Benefits activities and various staffing related underspends. Main causes of staff related underspends are for vacancies not being filled, which has further improved due to the finalisation of restructures within services.

Further work on unquantified risks that had been identified is ongoing and whilst they may still materialise work is ongoing to try and work to mitigate these as we progress through the financial year.

Resources have identified further £0.100m of opportunities which would arise from recoupment of court costs in relation to our Revenues and Benefits service. The following illustrates the split of the overall departmental forecast at a divisional level:

Divisional View of Resources Forecast



4.6 Assistant Chief Executive

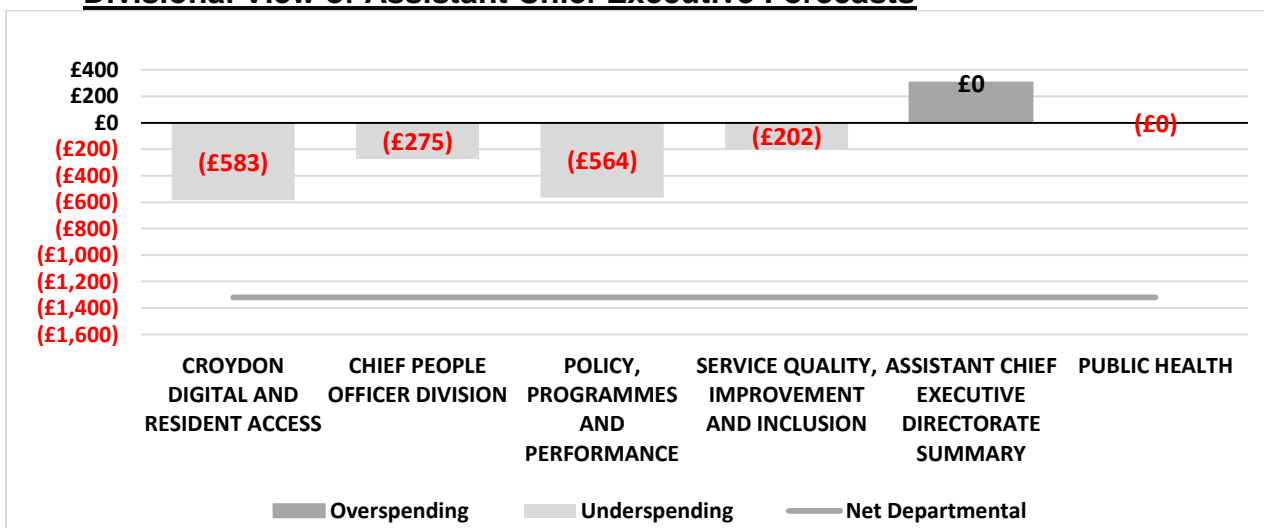
The ACE directorate is forecasting a underspend position of £1.320m (underspend £1.148m in Month 9), an improvement of £0.172m. This is a net position after factoring all budgeted income and expenditure within the directorate.

The main reasons for this underspend relate to various staffing related underspends and identification of grant monies that can be applied within the current financial year. These grants includes usage of Brexit funding and drawdown of Community Fund grants. Main causes of staff related underspends are for vacancies not being filled.

ACE have identified further £0.248m (£0.248m in Month 9) of opportunities which would arise from increased income from digital advertising.

The following illustrates the split of the overall departmental forecast at a divisional level.

Divisional View of Assistant Chief Executive Forecasts



4.7 Corporate

The Corporate forecast has remained as reported in month 9. This includes the full release of the one off non-ring fenced Covid grant and increased pressures as a result of additional minimum revenue provision costs and non-delivery of savings related to £1m for fees and charges.

The Council received a non-fenced grant of £11.250m from Central Government in relation to additional costs that may be incurred in the current financial year as a result of Covid 19 which was announced in the December 2020 Local Government Finance Settlement. As the Council's overall P9 position indicated that the budget will be underspent, the Council has made a prudent decision to appropriate £7m of Covid Grant into an earmarked reserve to support future year pressures and ongoing Covid challenges. This contribution to reserves is in addition to the £10m of reserves that was planned to appropriate when the Budget was set for 2021/22 in March 2021.

The cost of financing the capital programme is retained corporately. This has been reviewed and will continued to be reviewed as we continue to the end of the financial year.

Table 4 – Summary – Month 10 with Month 9 Comparator

	Month 10	Month 9	Variance
	(£,000's)	(£,000's)	(£,000's)
Table 1 - Forecast	(1,570)	(1,814)	244
Table 2a - MTFS Savings Risk	-	-	-
Table 2b - Quantifiable Risks	1,876	3,055	(1,179)
Table 3 - Quantifiable Opportunities	(1,500)	(2,725)	1,225
Total	(1,194)	(1,484)	290

5 Housing Revenue Account (HRA)

- 5.1 Table 5 provides a summary of the HRA Month 10 monitor, which is currently indicating a £1.281m overspend (Month 9 £1.725m). The HRA is a self-financing ring-fenced account and will need to ensure it remains within the resources available, taking into account levels of HRA reserves. The favorable movement from the Month 9 forecast is largely due to specific works being reviewed and now capitalised.
- 5.2 The Housing account has incurred significant disrepair settlement costs over the past month and due to legislative change and staff constraints these costs are projected to increase. The new forecast is based on an assessment of likely case settlement during the remainder of this financial year. In addition, the HRA continues to experience loss of income from garage rent along with increased demand for responsive repairs. The forecast overspend reported in Table 5 can be contained within HRA reserves provisionally forecast at £27.6m as at 31st March 2021.

Table 5 – Housing Revenue Account (HRA) at Month 10

SERVICES	Projected Variance For Month	Variance For Previous Month	Change From Previous Month	Explanation of Variations
	£'000	£'000	£'000	
Responsive Repairs and Safety	944	1,462	(518)	Additional spend due to high volume and value of Price per Property excluding works - These works are not covered under the PPP fixed costs - These costs are now being Capitalised
Asset Planning and Capital Delivery	(894)	(836)	(58)	Vacancies within the service
Allocations Lettings and Income Collection	766	469	298	Lower demand in home safety equipment Legal commitments increase is offset by other departmental underspend Charges that are incurred when tenants make payment using debit/credit cards & at local points. £50k - Income budget no longer achievable 'Increase in Leasholder's premium for 2021-22
Tenancy and Resident Engagement	(4)	55	(59)	Overspend on costs combined with a high level of voids based on 20/21 outturn Commitments have been reviewed & released
Homelessness and Assessments	200	249	(49)	Overspend on costs combined with a high level of voids based on 20/21 outturn
Directorate & Centralised costs	269	327	(58)	Unbudgeted Executive Director/Corporate Director posts plus support costs
	1,281	1,725	(445)	

5.3 Further work is taking place within the Housing and Legal service to address the number of outstanding disrepair claims. This could have a further impact on the HRA budget in 22/23 if it transpires that additional compensation and legal costs are due to tenants.

6 Capital Programme as Month 10

6.1 The General Fund and HRA capital programme have currently spent a gross £70.398m to the end of the month 10 against approved budgets of £373.790m. Forecast spend is £194.104m resulting in a forecast variance of £121.002m.

6.2 The table below summarises the capital spend to date by directorate with further details of individual schemes provided in Appendix 2.

Table 6 – Capital Programme

Department	2021/22 Budget(including approved slippage from 2020/21)	Revised Approved Budget as at 24/01/2022	Actuals 2021/22 as at Month 10	Forecasts 2021/22 as at Month 10	Variance

	£'000	£'000	£'001	£'000	£'000
ADULTS	1,726	68	4	98	30
HOUSING	4,773	3,393	397	3,101	(292)
ASSISTANT CHIEF EXECUTIVE	20,625	11,867	1,299	11,117	(750)
CHILDREN'S, FAMILIES & EDUCATION	26,078	15,451	10,567	15,451	-
SUSTAINABLE COMMUNITIES, REGEN & ECONOMIC DVLPT	76,439	45,269	12,338	40,892	(4,377)
RESOURCES	9,047	3,456	385	3,483	28
CORPORATE	51,893	52,393	33,333	52,393	-
General Fund Total	190,581	131,897	58,323	126,535	(5,362)
Housing Revenue Account	183,209	183,209	12,075	67,569	(115,640)
LBC CAPITAL PROGRAMME TOTAL	373,790	315,106	70,398	194,104	(121,002)

6.3 The variance column is projected to be slipped into the new financial year, subject to Cabinet approval at year end and further due diligence on state of the projects and their future delivery.

6.4 The significant slippage within the HRA Capital Programme relates to the properties that will be purchased by the Council from Brick by Brick. The Council is working with Brick by Brick and the legal team to re-assess the acquisition of the properties with the intention to review if they can be purchased in the current financial year.

7 FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

7.1 Finance comments have been provided throughout this report.

(Approved: Matt Davis – Interim Director of Finance)

8 LEGAL CONSIDERATIONS

8.1 The Head of Litigation and Corporate Law comments on behalf of the interim Director of Legal Services and Deputy Monitoring Officer that the Council is under a statutory duty to ensure that it maintains a balanced budget and to take any remedial action as required in year.

8.2 The Council is required by section 151 of the Local Government Act 1972 to make arrangements for the proper administration of its financial affairs. The Council's Chief Finance Officer has established financial procedures to ensure the Council's proper financial administration. These include procedures for budgetary control. It is consistent with these arrangements for Cabinet to receive information about the revenue and capital budgets as set out in this report.

8.3 The monitoring of financial information is also a significant contributor to meeting the Council's Best Value legal duty and therefore this report also complies with that legal duty.

(Approved by: Sandra Herbert Head of Litigation and Corporate Law on behalf of the interim Director of Legal Services and Deputy Monitoring Officer.

9 HUMAN RESOURCES IMPACT

- 9.1 There are no immediate workforce implications as a result of the recommendations in this report. Any mitigation on budget implications that may have effect on direct staffing will be managed in accordance with relevant human resources policies and were necessary consultation with recognised trade unions.

(Approved by: Gillian Bevan Head of Human Resources (Resources and ACE))

10 EQUALITIES IMPACT

- 10.1 There are no specific equalities issues set out in this report.

- 10.2 The Council has a statutory duty to comply with the provisions set out in the Sec 149 Equality Act 2010. The Council must therefore have due regard to:

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
- (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it
- (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

- 10.3 In setting the Council's budget for 2021/2022, all savings proposals were required to complete an Equality Impact Assessment. As Officers deliver against the approved budget, including the savings within it, they will continue to monitor for any unanticipated equality impacts.

- 10.4 The Council's core priority is to tackle ingrained inequality and poverty and tackling the underlying causes of inequality and hardship, like structural racism, environmental injustice and economic injustice. The budget should take due regard to this objective in relation to each protected characteristic. The Borough's responsibility to asylum seekers, young people, and disabled people and families is key to this regard.

- 10.5 The proposal to increase parking charges is likely to have an adverse impact on poverty and a socio-economic impact on residents. Deprivation in borough is largely focused in the north and the east where most ethnic residents reside. Any increase in parking is likely to impact further on communities already suffering from poverty and the impact of Covid 19 and job losses because of this

- 10.6 The full impacts of Covid 19 and long Covid on the Adult Social Care Service may not be apparent at this time and could possibly lead to more adults experiencing disabilities and additional pressure on Adult Social Care. There may also be a subsequent impact on disabled children along with their parents. It is essential to ensure that both groups receive an appropriate standard of care despite the pressure on services to reduce costs. Subsequently young people transitioning from Children's

social care to Adults Social Care could impact heavily on budget dependent on the needs of individuals identified.

- 10.7 The impact on poverty and inequality may be increased for those residents who were economically affected by Covid 19 and are currently in rent arrears. The rent increase may exasperate this, and mitigation has already been identified to this regard. However, rent increases could potentially increase the number of homeless people and families.
- 10.8 Departments should ensure that they pay due regard to all protected characteristics regarding potential mitigation to proposals.

(Approved by: Denise McCausland, Equalities Programme Manager, Policy Programmes and Performance)

11 ENVIRONMENTAL IMPACT

- 11.1 There are no specific environmental impacts set out in this report

12 CRIME AND DISORDER REDUCTION IMPACT

- 12.1 There are no specific crime and disorder impacts set out in this report

13 DATA PROTECTION IMPLICATIONS

- 13.1 **WILL THE SUBJECT OF THE REPORT INVOLVE THE PROCESSING OF 'PERSONAL DATA'?**
NO

- 13.2 **HAS A DATA PROTECTION IMPACT ASSESSMENT (DPIA) BEEN COMPLETED?**
NO, as the report contains no sensitive/personal data

Approved by Nish Popat – Interim Head of Corporate Finance

APPENDIX 1 – SERVICE BUDGETS AND FORECASTS MONTH 10

DIVISION	Approved Budget	Current Actuals	(%age)	Full-Yr Forecast	Projected Variance
	(£,000's)	(£,000's)	(%age)	(£,000's)	(£,000's)
C1410E : ADULT SOCIAL CARE OPERATIONS	114,242	89,265	1	113,770	(472)
C1405E : TOTAL ADULT SOCIAL CARE AND HEALTH DIRECTORATE SUMMARY	7,697	708	0	7,697	-
C1420E : ADULT SOCIAL CARE POLICY AND IMPROVEMENT	5,412	(1,153)	(0)	5,315	(97)
TOTAL ADULTS	127,351	88,820	1	126,782	(569)
C1305E : RESIDENT ENGAGEMENT AND ALLOCATIONS	14,253	5,572	0	16,217	1,964
C1310E : ESTATES AND IMPROVEMENT	66	273	4	86	20
TOTAL HOUSING	14,319	5,845	0	16,303	1,984
C1110E : SUSTAINABLE COMMUNITIES REGEN & ECONOMIC RECOVERY DIRECTORATE SUMMARY	(167)	911	(5)	(348)	(181)
C1120E : SUSTAINABLE COMMUNITIES	37,911	35,832	1	49,389	11,478
C1130E : CULTURE AND COMMUNITY SAFETY DIVISION	12,005	3,104	0	11,284	(721)
C1140E : PLANNING AND SUSTAINABLE REGENERATION DIVISION	2,482	2,426	1	2,170	(312)
TOTAL SUSTAINABLE COMMUNITIES REGEN & ECONOMIC RECOVERY	52,231	42,273	1	62,496	10,265
C1605E : RESOURCES DIRECTORATE SUMMARY	145	340	2	307	162
C1610E : DIRECTOR OF FINANCE	11,272	104,225	9	9,907	(1,365)
C1620E : PENSIONS DIVISION	1	1,162	1,162	(76)	(77)
C1625E : MONITORING OFFICER	3,801	1,677	0	3,783	(18)
C1630E : INSURANCE, ANTI-FRAUD AND RISK	32	2,549	80	(82)	(114)
C1640E : LEGAL SERVICES DIVISION	766	(714)	(1)	1,212	446
C1650E : INTERNAL AUDIT SERVICE	8	61	8	14	6
C1690E : COMMERCIAL INVESTMENT AND CAPITAL DIVISION	19,050	8,336	0	18,308	(742)
TOTAL RESOURCES	35,075	117,635	3	33,374	(1,701)

C1205E : CHILDREN, YOUNG PEOPLE AND EDUCATION	10,265	424	0	10,040	(225)
C1210E : CHILDREN'S SOCIAL CARE	78,689	48,623	1	71,955	(8,994)
UNACCOMPANIED ASYLUM SEEKING CHILDREN (UASC) AND CARE LEAVERS	795	(2,542)	(3)	886	91
C1220E : EDUCATION DIVISION - exc DSG	12,533	33,083	3	12,413	(120)
C1230E : QUALITY, POLICY AND PERFORMANCE IMPROVEMENT	4,935	3,357	1	4,744	(191)
TOTAL CHILDRENS, FAMILIES AND EDUCATION	107,217	82,944	1	100,038	(7, 179)
C1505E : ASSISTANT CHIEF EXECUTIVE DIRECTORATE SUMMARY	(56)	655	(12)	248	304
C1510E : CROYDON DIGITAL AND RESIDENT ACCESS	13,809	22,251	2	13,226	(583)
C1520E : CHIEF PEOPLE OFFICER DIVISION	5	2,126	425	(270)	(275)
C1530E : POLICY, PROGRAMMES AND PERFORMANCE	7,208	6,669	1	6,644	(564)
C1540E : PUBLIC HEALTH	-	(3,624)	-	-0	(0)
C1550E : SERVICE QUALITY, IMPROVEMENT AND INCLUSION	181	1,290	7	-21	(202)
TOTAL ASSISTANT CHIEF EXECUTIVE	21,147	29,366	1	19,828	(1,320)

Appendix 2 – Capital Programme Month 10

CAPITAL BUDGETS, MONITORING AND FORECASTS - PERIOD 8	Approved Budget	Revised Approved Budget as at 24/01/2022	Actual to Date	Forecast for Year	Variance for Year
Scheme Name	2021/22	2021/22	2021/22	2021/22	2021/22
	(£,000's)	£'000	(£,000's)	(£,000's)	(£,000's)
Disabled Facilities Grant	4,373	2,993	676	2,701	(292)
Empty Homes Grants	400	400	(279)	400	-
HOUSING	4,773	3,393	397	3,101	(292)
Adults ICT	284	64	-	64	-
Adult Social Care Provision	4	4	4	4	-
Provider Services - Extra Care	500	-	-	-	-
Sheltered Housing	938	-	-	30	30
ADULTS	1,726	68	4	98	30
Bereavement Services	1,711	800	25	50	(750)
Community Ward Budgets	1,616	-	-	-	-
Finance and HR system	598	498	128	498	-
ICT Refresh & Transformation	9,185	6,430	214	6,430	-
People ICT	7,515	3,500	853	3,500	-
Uniform ICT Upgrade	-	140	79	140	-
Members Enquiries Transformation Bid		29	-	29	(0)
Core Contract Procurement Transformation		470	-	470	-
ASSISTANT CHIEF EXECUTIVE	20,625	11,867	1,299	11,117	(750)
Education - Fire Safety	2,057	450	-	450	-
Education - Fixed Term Expansions	2,124	69	24	69	-
Education - Major Maintenance	7,523	2,945	2,814	2,945	-
Education - Miscellaneous	821	366	354	366	-
Education - Permanent Expansion	403	425	139	425	-
Education - Secondary Estate	134	88	48	88	-
Education - SEN	13,016	11,108	7,188	11,108	-
CHILDREN'S, FAMILIES & EDUCATION	26,078	15,451	10,567	15,451	-
Allotments	309	100	-	100	-
Asset management ICT database	-	-	-	-	-
Brick by Brick programme	20,000	3,797	-	3,797	-
Brick by Brick - Fairfield		4,000	-	4,000	-
Fixtures & Fittings FFH		574	-	574	-
CALAT Transformation	396	6	1	6	-
Electric Vehicle Charging Points	1,700	-	-	-	-
Feasibility Fund	505	505	13	505	-
Fieldway Cluster	3,023	300	(121)	300	-
Growth Zone	8,210	2,500	95	1,700	(800)

Grounds Maintenance Insourced Equipment	1,200	1,000	-	1,000	-
Highways - maintenance programme	17,531	13,474	8,000	11,340	(2,134)
Highways - maintenance programme (staff recharges)	567	-	-	567	567
Highways – flood water management	286	1,076	85	959	(117)
Highways – bridges and highways structures	141	1,139	343	1,139	-
Highways - Tree works	-	89	7	89	0
Measures to mitigate travellers in parks and open spaces	73	73	-	73	-
Leisure centres equipment upgrade	628	628	7	628	-
Libraries Investment - General	1,914	300	76	300	-
Libraries investment – South Norwood library	512	100	-	100	-
Museum Archives	100	-	-	-	-
Neighbourhood Support Safety Measures	50	50	-	50	-
New Addington wellbeing centre	979	-	-	-	-
Parking	3,401	1,735	-	300	(1,435)
Park Life	381	-	-	-	-
Play Equipment	1,522	720	-	720	-
Safety - digital upgrade of CCTV	1,559	20	-	20	-
Section 106 Schemes	4,674	4,674	61	4,674	-
SEN Transport	1,289	-	-	-	-
Signage	137	137	-	137	-
South Norwood Regeneration	5	812	183	626	(186)
Connected Kenley	-	545	-	250	(295)
Sustainability Programme	625	60	-	60	-
TFL - LIP	392	3,884	3,577	3,906	22
Unsuitable Housing Fund	14	14	10	14	-
Waste and Recycling Investment	3,116	1,558	-	1,558	-
Waste and Recycling – Don't Mess with Croydon	1,358	1,558	1	1,558	-
Schemes with completion date prior to 2020/21	(158)	(158)	-	(158)	-
SUSTAINABLE COMMUNITIES, REGEN & ECONOMIC DVLPT	76,439	45,269	12,338	40,892	(4,377)
Asset Strategy - Stubbs Mead	3,298	250	-	250	-
Asset Strategy Programme	770	23	-	23	1
Asset Acquisition Fund	415	25	-	25	-
Clocktower Chillers	462	50	-	50	-
Corporate Property Programme	4,248	2,794	350	2,794	-
Crossfield (relocation of CES)	(146)	146	8	146	-
MHCLG Code Sharing Project	-	-	21	21	21
Croydon Healthy Homes (Project code 800156)	-	168	-	168	-

Unclassified Category	-	-	6	6	6
RESOURCES	9,047	3,456	385	3,483	28
Capitalisation Direction	50,000	50,000	33,333	50,000	-
Transformation Spend (Flexible Capital Receipts)	1,893	2,393	-	2,393	-
CORPORATE	51,893	52,393	33,333	52,393	-
NET GENERAL FUND TOTAL	190,581	131,897	58,323	126,535	(5,362)
Asset management ICT database	155	155	-	-	(155)
Fire safety (Sprinkler) programme	5,555	5,555	461	461	(5,094)
Larger Homes	1,339	1,339	-	-	(1,339)
Major Repairs and Improvements Programme	35,306	35,306	11,544	24,547	(10,759)
Affordable Housing	31,932	31,932	22	30,051	(1,881)
BBB Properties part funded by GLA and HRA RTB 141	108,120	108,120	-	5,310	(102,810)
Special Transfer Payments	802	802	48	-	(802)
BBB Land Transfers as Winding Up				7,200	7,200
HOUSING REVENUE ACCOUNT CAPITAL	183,209	183,209	12,075	67,569	(115,640)
GROSS CAPITAL PROGRAMME	373,790	315,106	70,398	194,104	(121,002)

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Agenda Item 9

REPORT TO:	Cabinet 21 March 2023
SUBJECT:	Action Plan to address the Report in the Public Interest Concerning the Fairfield Halls and related governance arrangements
LEAD OFFICER:	Katherine Kerswell, Chief Executive Jane West, Corporate Director of Resources and Section 151 Officer John Jones, Interim Monitoring Officer
CABINET MEMBER:	Leader of the Council, Councillor Hamida Ali
WARDS:	All

SUMMARY OF REPORT:

This report addresses recommendations 1.8 and 1.9 in the report to the Extraordinary Council meeting of 3rd February 2022 in response to the Report in the Public Interest (RIPI). The improvement action plan has been considered and reviewed by both the Scrutiny & Overview Committee and the General Purposes & Audit Committee. Both committees have supported the action plan and have made recommendations for improvements.

FINANCIAL IMPACT:

There are no direct financial implications that will arise as a result of this report and the recommendations put forward by the two committees. Delivering on the recommendations forms part of improved way of working within the organisation and therefore costs for this are included within current budget provision.

KEY DECISION REFERENCE NO.:

There are no key decisions contained in this report.

The Leader of the Council has delegated to the Cabinet the power to make the decisions set out below:

RECOMMENDATIONS:

The Cabinet is asked to:

- i) Consider the amendments to the RIPI action plan recommended by the Scrutiny & Overview Committee as detailed in paragraph 2.4 of the report;
- ii) Consider the amendments to the RIPI action plan recommended by the General Purposes & Audit Committee as detailed in paragraph 2.6 of the report;

- iii) Agree that the action plan (Appendix 1) should be updated accordingly; and
- iv) Note that in accordance with the resolution of Council on 3rd February 2022, progress on the implementation of the external auditor's recommendations will be reported to Cabinet, alongside the General Purposes & Audit Committee, the Scrutiny & Overview Committee and Council, as part of the existing quarterly Croydon Renewal Improvement Plan update reports.

1. BACKGROUND

- 1.1 On 26 January 2022, the Council's external auditor, Grant Thornton, issued a Report in the Public Interest (RIPI) concerning the refurbishment of the Fairfield Halls and related governance arrangements. In line with the statutory framework for such reports, the Council held an Extraordinary Council meeting on 3 February 2022 to discuss the report and the proposed action plan (Appendix 1) to address it.
- 1.2 At the Extraordinary Council meeting the action plan and a number of recommendations were agreed. This report addresses recommendations 1.8 and 1.9 as follows:
 - 1.8 *Agree that the action plan be presented to both the General Purposes & Audit Committee and the Scrutiny & Overview Committee at their next meetings to consider and review the plan from their differing constitutional positions and report any feedback to Cabinet.*
 - 1.9 *Request that Cabinet receives a report that includes any feedback on the action plan from the Scrutiny & Overview Committee and the General Purposes & Audit Committee and provides further detail on the delivery of the Action Plan, including the anticipated costs of implementing the recommendations;*

2. CONSULTATION WITH THE SCRUTINY & OVERVIEW COMMITTEE AND THE GENERAL PURPOSES & AUDIT COMMITTEE

- 2.1 As requested by Council, the Scrutiny & Overview Committee considered the action plan at its meeting on Tuesday 1 March 2022 and the General Purposes & Audit Committee at its meeting on Thursday 3 March 2022.
- 2.2 The feedback from those committees is detailed below.

Feedback from the Scrutiny & Overview Committee

- 2.3 At its meeting on 1 March, the Scrutiny & Overview Committee reached seven conclusions on the action plan as follows:

- i) The Committee was reasonably happy that the content of the action plan addressed the recommendations raised in the Report in the Public Interest;
- ii) Time would need to be set aside in the scrutiny work programme in the forthcoming year to review the delivery of the action plan and where appropriate to test progress made;
- iii) Given the reference in the Report in the Public Interest to the Scrutiny and Overview Committee not being presented with the complete information when it had reviewed progress on the refurbishment of Fairfield Halls, there was a need to reflect the requirement of Scrutiny to be able access information to conduct its work effectively;
- iv) Although it was accepted that any decision would be made on a case-by-case basis, there needed to be scope for Scrutiny to undertake site visits on major projects where appropriate;
- v) There was recognition that the Council delivered a wide range of projects and as such there needed to be a reporting framework that could be tailored to projects of varying scale and also took account of projects not being delivered directly by the Council;
- vi) The commitment towards staff training to embed new processes across the Council was welcomed by the Committee; and
- vii) It was agreed that processes arising from the Report in the Public Interest and the wider Croydon Renewal Plan needed to be reflected in the forthcoming Workforce Strategy.

2.4 Having reached the above conclusions, the Scrutiny & Overview Committee resolved to recommend to Cabinet the addition of two further actions to the plan as follows:

- i) Action 1.4 should be expanded to make reference to the ability of Scrutiny to access information, with the following wording suggested for the consideration of Cabinet:-

'Progress reports on the delivery of major projects to Cabinet will also incorporate an assurance section that the requirements are to ensure the arrangements are lawful and have been met e.g. contracts signed, land correctly transferred etc prior to committing the Council contractually. These reports will also be available to the Scrutiny and Overview Committee in order to enable them to fully scrutinise the delivery of major projects based on the same full suite of information

that is available to the Cabinet Members. These requirements will also be included in the new guide.'

- ii) The action plan needed to reflect that future project governance should be reflective of the scale of each project, with an appropriate level of monitoring, reporting and resource allocated.

Feedback from the General Purposes & Audit Committee

2.5 In considering the action plan, the Committee raised a number of issues that weren't immediately related to the recommendations that had been made by the external auditors. The conclusions of the committee on these issues were as follows:

- i) That the Committee should be updated on the outcome of the assessment being undertaken by specialist fraud investigators in relation to the refurbishment project. The outcome of this assessment would enable the Committee to determine if it should recommend any further additions to the action plan.
- ii) That the Committee would welcome feedback on whether it would be beneficial for the Council to also:
 - a. Undertake a technical construction review of the refurbishment works to identify any lessons that can be learned for future large scale construction projects; and
 - b. Undertake a review of the value of the work that had been carried out on the Halls in comparison to the amount of money that had actually been spent on the refurbishment.
- iii) That the Committee would welcome steps being taken by the Council to ensure that Members are both aware of the formal processes available to them to raise and lodge issues and also that those Members are confident in using those processes.

2.6 The Committee resolved to recommend to Cabinet one additional action to the plan as follows:

- i) That in relation to actions 2.1 and 4.1, in addition to the reviews of contract processes and third-party payment processes, the Council takes further action to enhance and ensure compliance with these processes.

3. NEXT STEPS

3.1 Cabinet is asked to consider the additional actions recommended by the two committees. If agreed, the action plan will be updated to reflect the changes and incorporate into the Croydon Renewal Improvement Plan for delivery.

- 3.2 Progress on the implementation of the plan will be reported as part of the quarterly reports to Cabinet on the delivery of the Croydon Renewal Improvement Plan.
- 3.3 As with the action plan relating to the previous RIPI relating to the Council's financial governance, progress against actions in this plan will be monitored, tested and reported upon by the Council's internal audit team.

4. CONSULTATION

- 4.1 The recommendations attached to this report are the product of discussions by both the Scrutiny & Overview Committee and the General Purposes & Audit Committee as requested by the Council at its Extraordinary meeting on 3 February 2022.

5. REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

- 5.1 To ensure that the action plan to address the issues raised by the external auditor's Report in the Public Interest are addressed as promptly and effectively as practical and to support the Council's financial governance improvement journey.

6. OPTIONS CONSIDERED AND REJECTED

- 6.1 None.

7. FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

- 7.1 There are no direct financial implications that will arise as a result of this report and the recommendations put forward by the two committees. Delivering on the recommendations forms part of improved way of working within the organisation and therefore costs for this are included within current budget provision.

Approved by: Nish Popat – Interim Head of Corporate Finance

8. LEGAL CONSIDERATIONS

- 8.1 The Head of Litigation and Corporate Law comments on behalf of the interim Director of Legal Services that the Report in the Public Interest ("the Report") concerning the refurbishment of Fairfield Halls dated 26 January 2022 was issued under the provisions of the Local Audit and Accountability Act 2014 ("the Act"). The Council must comply with the requirements of the Act in responding to the Report.

- 8.2 Under the provisions of paragraph 5(5) and (6) of Schedule 7 to the Act, the Council must decide within a period of one month whether the Report requires the authority to take any action or whether the recommendations are to be accepted. It must also decide what, if any, action is to be taken in response to the Report and its recommendations. Paragraph 7 goes on to provide that the authority's functions under paragraph 5 are not to be the responsibility of the executive. Paragraph 10(1) of the Act provides that after considering the Report and its response to it, the Council must notify the external auditor of its decisions, and publish a notice on its website containing a summary of those decisions approved by the external auditor.
- 8.3 The Report was considered at the Council meeting on 3 February 2022 when all of the Report's findings and recommendations were agreed.
- 8.4 At the same meeting the Council also considered the Chief Finance Officer's report issued under section 114(2)(a) of the Local Government Finance Act 1988 and also the Monitoring Officer's report issued under section 5 of the Local Government and Housing Act 1989 together with the recommendations of the two statutory officers which were also agreed by the Council at the extraordinary meeting on 3 February 2022.
- 8.5 An Action Plan in response to the recommendations of the external auditor, the Chief Finance Officer and the Monitoring Officer was agreed by the Council at its meeting on 3 February 2022.
- 8.6 At the time of writing this report, all of the relevant requirements of the Act have been complied with and the purpose of this report is to update the Action Plan and provide a progress report as to delivery.

Approved by: Sandra Herbert, Head of Litigation and Corporate Law on behalf of the interim Director of Legal Services and Deputy Monitoring Officer.

9. HUMAN RESOURCES IMPACT

- 9.1 There are no human resource impacts arising directly from the recommendations in this report. However, there will be impacts associated with the delivery of the improvement plan. The improvement plan is part of a range of measures relating to improving the Council's financial governance and it is inevitable that this will ultimately impact on the Council's workforce, when the Council's agreed Human Resources' policies and procedures will be followed.
- 9.2 Human resources impacts will be appropriately reported to the relevant decision-making bodies as individual actions from the plan are implemented.

Approved by: Dean Shoemith, Chief People Officer

10. EQUALITIES IMPACT

- 10.1 There are no equality impacts arising directly from the recommendations in this report. As such, an equality analysis has not been undertaken following the initial response to the external auditor's report. However, there will be impacts associated with the delivery of the improvement plan. The improvement plan is part of a range of measures relating to improving the Council's financial governance and it is inevitable that this will ultimately impact on the Council's workforce and the communities it serves.
- 10.2 Consideration will be given as each of the individual actions included in the Action Plan are implemented as to whether they are relevant to equalities and will require an equalities impact assessment undertaken to ascertain the potential impact on vulnerable groups and groups that share protected characteristics.
- 10.3 Any improvements to governance that arise from the implementation of the recommendations in the action must pay due regard to ensuring that all residents in Croydon are able to understand the actions the Council takes in their name, the decisions it makes to spend resources on their behalf, and who is accountable for that action.
- 10.4 Close attention will need to be paid to ensure the Council is as transparent as possible and is as open and engaging with all its local communities through this process of improvement and afterwards in the new governance practices that are established.

Approved: Barbara Grant, Programme Manager, on Behalf of Denise McCausland, Equality Programme Manager.

11 ENVIRONMENTAL IMPACT

- 11.1 None

12 CRIME AND DISORDER REDUCTION IMPACT

- 12.1 None

13. DATA PROTECTION IMPLICATIONS

- 13.1 WILL THE SUBJECT OF THE REPORT INVOLVE THE PROCESSING OF 'PERSONAL DATA'?**

NO

13.2 The report author comments that the recommendations of this report do not involve the processing of personal data and as such, there are no data protection implications arising from this report.

CONTACT OFFICER: Stephen Rowan, Head of Democratic Services and Scrutiny

APPENDICES TO THIS REPORT:

Appendix 1 – Action Plan in response to the Report in the Public Interest

BACKGROUND DOCUMENTS – LOCAL GOVERNMENT ACT 1972

None.

ACTION PLAN IN RESPONSE TO THE REPORT IN THE PUBLIC INTEREST

1. The Council has fully accepted all recommendations made by the external auditor (R1-R12)
2. There are 7 statutory recommendations from the external auditor for the Council to urgently address:

R1 – Cabinet papers for major projects	R7 – Record keeping arrangements
R2 – Contract execution & storage	R9 – Roles and responsibilities
R3 – Updating legal advice	R11 – Financial reporting on significant capital projects
R4 – Payments to third parties	

Note: Statutory recommendations are written recommendations to the Council made by the Auditor under section 24 (Schedule 7) of the Local Audit and Accountability Act 2014. A recommendation under schedule 7 requires the Council to discuss and respond publicly to the report. Council must decide (i) if the recommendations are accepted and (ii) what, if any actions will be taken in response to them. This plan sets out the actions that the council proposes to take in response to all of the recommendations made in the report, including statutory recommendations.

Overall accountability for the action plan rests with Leader of the Council and the Chief Executive

Recommendation 1

The Chief Executive supported by the Monitoring Officer and the Section 151 Officer should ensure that Cabinet papers for major projects set out clearly:

R1.1 the legal powers to enter into a particular arrangement and attendant risk

R1.2 how the Council can protect its interests and secure economy, efficiency and effectiveness

Cabinet Member Accountability:

Improvement Work to Date

Since the last Report in the Public Interest, the Council has taken action to improve the processes surrounding the submission of reports to Cabinet. This has included lengthening the lead in process for the production of Cabinet reports; the introduction of a twelve month forward plan; early consideration of all cabinet papers at the Corporate Management Team; and holding the

Cabinet briefing / Informal Cabinet meetings earlier in the cycle prior to Cabinet papers being published. This allows for much earlier consideration of papers and more opportunity for assurance of, and challenge to, advice being presented to the Cabinet.

The Council's new interim Monitoring Officer has also introduced a new process to reduce the number of Cabinet and Committee reports being published late, which in turn allows Cabinet Members greater opportunity to fully consider recommendations and advice presented to them in Cabinet reports.

The Council has also included a new KPI for late publication of reports in its new Finance, Performance and Risk reports which are presented to Cabinet bi-monthly.

Action	Deadline	Accountability
1.1 A new report writers guide will be produced alongside a new report template for all Council reports to use regardless of which board or committee in will be presented in. This will explain the issues raised in the RIPI and why commentary is needed on the lawfulness of the council's arrangements	To be determined	Monitoring Officer
1.2 The template for reports will be amended to include a reference in the legal comments section to the need to ensure legal advice is recorded in the paper on the power to enter into a particular arrangement for a major project and the actions required to ensure it remains lawful,	To be determined	Monitoring Officer
1.3 The Capital Board will be asked to produce guidance on what constitutes a major project and this will be incorporated into the new report writers' guide. This section in the report will also draw out the need for officers and those delivering on the Council's behalf to ensure the council delivers value for money within all its major projects and secures economy, efficiency and effectiveness for the taxpayers and residents of Croydon in accordance with Section 3(1) of the Local Government Act 1999 and the duty of best value. The template will stress the importance of ensuring the report provides decision makers with full information and the requirement to update the decision making body when this information changes.	To be determined	Director of Commercial Investment

1.4 Progress reports on the delivery of major projects to Cabinet will also incorporate an assurance section that the requirements are to ensure the arrangements are lawful and have been met e.g. contracts signed, land correctly transferred etc prior to committing the Council contractually. This will also be included in the new guide.	To be determined	Monitoring Officer Director of Commercial Investment
1.5 Once the new guide and the new report template has been produced, it will be brought to GPAC and the Ethics Committee for member consultation and agreement. Training will then be developed to ensure understanding of the new requirements by report writers.	To be determined	Monitoring Officer Director of Commercial Investment
1.6 The Council will make full use of its decision management software (Mod.Gov) to automate production of reports. This will have the benefit of allowing report authors to draw in expert advice earlier in the process and prevent reports from being changed after they have received legal and financial commentary.	To be determined	Monitoring Officer

Recommendation 2

The Monitoring Officer should ensure that:

R2.1 contracts are properly executed before entering into arrangements with third parties

R2.2 the properly executed documents are stored robustly to allow future scrutiny

R2.3 key requirements underpinning the legal advice are in place before progressing with the arrangement

Cabinet Member Accountability:

Action	Deadline	Accountability
2.1 The Monitoring Officer will undertake a review of existing council processes for the signing of contracts, storage of signed contracts, and assurance on underpinning legal requirements prior to arrangements being entered into.	September 2022	Monitoring Officer Director of Commercial Investment
2.2 The Capital Board will be given a formal role going forward in the assurance of the contracts having been signed, that they are stored securely and all legal requirements have been met prior to approval to proceed with a major project. The terms of reference to be updated to reflect this.		
2.3 This review will be reported to the Statutory Officers' Board in the first instance and will include any recommendations on required changes to processes, thresholds and delegations. This review will then be brought to the General Purposes and Audit Committee for Member oversight and comment.		

Recommendation 3

The Monitoring Officer should ensure that where legal advice changes after a Cabinet decision that the consideration of the implications of the changes is documented and where the Monitoring Officer considers additional legal risks are identified that the Cabinet is updated on the impact on the original decision made

Cabinet Member Accountability:

Action	Deadline	Accountability
3.1 The Monitoring Officer will review the Council's Constitution, particularly Part 5A, the Protocol on Decision Making. This review will have particular regard to setting out proportionate thresholds for decisions to be reported back to the relevant decision-making body when advice (legal or otherwise) upon which the decision was based significantly changes. The review will also consider introducing a time limitation on the delegated decisions that are made by Cabinet in order to ensure they remain relevant and are used appropriately. This will also be included in the new Report Writers Guide.	May 2022	Monitoring Officer
3.2 A standing item will be included on the Statutory Officers' meeting to identify if there have been any significant changes to advice underpinning Cabinet decisions.	Immediate	Chief Executive

Recommendation 4		
The Section 151 Officer should ensure that prior to making payments to third parties that appropriate legal documentation is in place such as a properly executed contract or a properly executed loan agreement		
Cabinet Member Accountability:		
Action	Deadline	Accountability
4.1 The Section 151 officer will undertake a review of the Council's existing processes for ensuring payments to third parties meet the required governance controls such as a signed and dated loan agreement or contract. This review will make any recommendations that are necessary to ensure that there are proportionate thresholds, checks and balances on payments to third parties.	July 2022	Corporate Director of Resources
4.2 The Capital Board will incorporate this assurance check as part of their formal programme board oversight on the progress of major projects and will amend their terms of reference to reflect this additional role.		
4.3 The findings of this review will be reported to the Statutory Officers' meeting in the first instance, with any changes that are required to the Council's Constitution being reported to the Council via GPAC or Ethics committee.		

Recommendation 5		
The Monitoring Officer and Section 151 Officer should ensure that arrangements are in place to properly consider public procurement rules and UK obligations on subsidy control rules before entering into arrangements		
Cabinet Member Accountability:		
Action	Deadline	Accountability
5.1 The Council's Director of Commercial Investment will review the Council's existing arrangements for ensuring compliance with subsidy control legislation. This review will be reported to the Section 151 officer and Monitoring Officer and will highlight any risks in the Council's current arrangements. The review will also make recommendations and set out an action plan to mitigate and address any risks that are identified. The Capital Board may play a part in the assurance mechanism before entering into arrangements. If so, its terms of reference will be amended.	September 2022	Director of Commercial Investment

Recommendation 6

The Chief Executive, Monitoring Officer and Section 151 Officer need to consider how to respond appropriately to challenge on decisions and be prepared to take corrective action where necessary

Cabinet Member Accountability:

Improvement Work to Date

As part of the Croydon Renewal and Improvement Plan, a range of actions have been undertaken to improve the culture of the organisation in relation to openness, transparency, accountability and challenge. The various actions are all designed to facilitate constructive challenge and open dialogue from Members, residents, officers and each other. To date, this work has included:

- Introducing a 'guardians' programme for staff, providing a safe space for staff across the organisation to raise concerns
- New customer complaints handling process
- Developing a new access to information protocol for Councillors
- Introducing new codes of conduct for Members, Co-opted Members and Officers

Action	Deadline	Accountability
6.1 A new member enquiry / casework process and supporting software will be rolled out to allow more pro-active tracking, management and responses to member casework enquiries and also allow learning from the casework to be captured more effectively to improve services. This may result in policy decisions needing to be revisited.	July 2022	Assistant Chief Executive
6.2 A new system of internal control officer boards will be implemented following a review of core business meetings and forums. At the time of writing this report three have already been re/launched, namely the Health and Safety Committee; Equality, Diversity and Inclusion Board; and the Capital Board. The Corporate Resilience Board has been in operation throughout the pandemic.	July 2022	Director of Policy, Programmes & Performance

6.3 A new Member / Officer working protocol will be developed and submitted to Council for adoption into the Council's Constitution. <i>Please note that this action will also support 9.2</i>	March 2022	Monitoring Officer
6.4 A new assurance framework will be developed and reported on annually to the General Purposes and Audit Committee	July 2022	Corporate Director of Resources

Recommendation 7

The Chief Executive should improve record keeping arrangements so that:

R7.1 the records supporting key decisions including financial analysis are maintained

R7.2 a standard approach to record keeping with monitoring of which decisions have been implemented

R7.2 tolerances are established for reporting back changes to Cabinet

Cabinet Member Accountability:

Action	Deadline	Accountability
7.1 A review will be undertaken by the Council's Information Management Team of record keeping across the Council for key decisions, delegated decisions and Cabinet decisions in general and record keeping of formal internal control boards. The review will make any necessary recommendations regarding proposed future systems of control, in particular to ensure required or agreed future reporting requirements are adhered to through the forward plan and these will be reported to GPAC and Cabinet.	September 2022	Assistant Chief Executive
7.2 This review to provide assurance that the Council is operating in accordance with the relevant legislation including the good practice recommendations in the Information Commissioner's Office "S46 Code of Practice – Records Management" issued under section 46 of the Freedom of Information Act 2000.	December 2022	Assistant Chief Executive

Recommendation 8

The Chief Executive, as Head of Paid Service, should ensure appropriate governance arrangements are implemented in a timely manner particularly for strategic developments such as Brick by Brick including where appropriate that there is clear guidance for nominated representatives on the expectations of the role including reporting back to the Council

Cabinet Member Accountability:**Improvement Work to Date**

Actions already taken by the Council to strengthen the governance arrangements for strategic and major projects and programmes include:

- Appointment of a new Commercial Investment Director;
- Establishment of a Croydon Companies Supervision and Monitoring Panel (officer only) to have oversight of all Council owned companies
- Establishment of a Brick by Brick Shareholder Cabinet Advisory Board (Member only);
- Established a new programme office that includes a remit to work on the capital programme
- Agreement of new terms of reference for the Capital Board with a focus on good planning, governance and delivery
- Where warranted, non-executive and / or independent chairing and leadership has been sought, including independent chairs for the Council's General Purposes and Audit Committee, Housing Improvement Board, Children's Improvement Board and the Croydon Adult Safeguarding Board.

Action**Deadline****Accountability**

8.1 The Croydon Companies Supervision and Monitoring Panel be tasked with considering what additional measures, if necessary, need to be introduced to support and clarify the roles and responsibilities of any person appointed by the Council to be a director of a Council owned company. This review to incorporate an undertaking to abide by the code of conduct and standards of public life (commonly known as the Nolan principles).

May 2022**Director of
Commercial
Investment**

Please note that this action will also support 9.4

8.2 The Council has had guidance notes agreed on the role of a non-executive appointee on behalf of the Council but these will now be reviewed and brought back to Ethics Committee for approval.	To be determined	Monitoring Officer
8.3 Mandatory training will be provided on a regular and timely basis to all Council owned company directors. Attendance at this training is part of the requirements to remain a Council appointed Director.	To be determined	Monitoring Officer
8.4 The terms of reference for the Council's new internal control boards will be reviewed to ensure that there is clarity on how the work undertaken by these boards flows into member meetings and formal member briefings as appropriate.	To be determined	Director of Policy, Programmes & Performance

Recommendation 9

The Chief Executive should work with the Leader to continue to embed

R9.1 a clearly understood distinction between the different roles and responsibilities of Members, officers and representatives akin to Brick by Brick

R9.2 clear responsibilities for officers and Portfolio Holders in challenging reports presented to Cabinet and other committees for balance, accuracy and consistency with their knowledge

Cabinet Member Accountability:**Improvement Work to Date**

The Council has agreed a new code of conduct and guidance for Members and a new code of conduct for officers. This is being supplemented by tailored learning and development activity as part of the May 2022 Member Induction Programme, in new officer induction programmes and the corporate culture change programme.

Action	Deadline	Accountability
9.1 Review role descriptions for members and a revised member handbook is being developed. This work will be brought to the Ethics Committee for approval.	May 2022	Monitoring Officer
9.2 A new Member / Officer working protocol will be developed and submitted to Council for adoption into the Council's Constitution. This protocol will clarify responsibility for providing effective advice and challenge. <i>Please note that this action will also support 6.3</i>	May 2022	Monitoring Officer
9.3 The Croydon Companies Supervision and Monitoring Panel be tasked with considering what additional measures, if necessary, need to be introduced to support and clarify the roles and	May 2022	Director of Commercial Investment

responsibilities of any person appointed by the Council to be a director of a Council owned company.		
<p>9.4 The Croydon Companies Supervision and Monitoring Panel be tasked with considering what additional measures, if necessary, need to be introduced to support and clarify the roles and responsibilities of any person appointed by the Council to be a director of a Council owned company. This review to incorporate an undertaking to abide by the code of conduct and standards of public life (commonly known as the Nolan principles).</p> <p><i>Please note that this action will also support 8.1</i></p>	May 2022	Director of Commercial Investment

Recommendation 10

The Chief Executive should review the terms of reference for officer and member/officer boards that oversee significant projects and capital/revenue expenditure and clarify the escalation routes for significant additional expenditure in excess of the budget

Cabinet Member Accountability:**Improvement Work to Date**

The July 2021 Council meeting noted the work underway to redesign the Council's internal control system. Two new officer Boards have been created and launched, with further Boards about to start operating, and also a new Cabinet Advisory Board to oversee the work on Brick by Brick and other large commercial shareholder interests the Council has. This redesign has clarified the purpose of existing meetings and forums and has produced a new template for the terms of reference to ensure clarity on accountability of that Board and reporting mechanisms into member meetings and formal member briefings.

Since June 2021 the Cabinet has been receiving a monthly update on the council's general fund, housing revenue account and capital expenditure.

Action	Deadline	Accountability
10.1 The Capital Board will review its terms of reference to develop an effective role in regard to its oversight of the delivery of major projects and clarify the escalation routes for significant overspends.	May 2022	Director of Commercial Investment
10.2 The format of the monthly cabinet update on general fund, HRA and capital expenditure will be reviewed in general to ensure it is incorporating the best practice of high performing councils in budget reporting to members. This review will also pay specific regard to the reporting on risks and opportunities, over and underspends on the delivery of significant projects either revenue or capital expenditure and either general fund, parking places reserve account or housing revenue account related.	May 2022 P1 Report	Corporate Director of Resources

10.3 The Internal Control Board terms of reference template will be reviewed for all boards to ensure clarity on responsibilities for risks in regard to its responsibilities, workload and escalation routes.	July 2022	Director of Policy, Programmes & Performance
10.4 The current monthly budget assurance meetings chaired by the Chief Executive and Corporate Director of Resources will be reviewed to assess effectiveness after its first year of operation.	April 2022	Director of Policy, Programmes & Performance

Recommendation 11

The Section 151 Officer should ensure financial reporting on significant capital projects is enhanced so that

R11.1 a clear agreed budget for the project is identified and the underlying financial analysis is maintained

R11.2 a clear agreed project expenditure amount can be reported through appropriate governance processes

R11.3 where there are changes in the original financial assumptions that there is an assessment on the project's financial viability with appropriate reporting

R11.4 the revenue impact of any changes in the capital project are addressed in future budget setting

Cabinet Member Accountability:

Action	Deadline	Accountability
11.1 The Corporate Director of Resources will oversee the review work to be undertaken by the Director of Commercial Investment in regard to improving the role of the Capital Board in meeting a number of these recommendations. That review will incorporate the recommendations above.	May / June 2022	Corporate Director of Resources
11.2 The review of the monthly budget report format will also take into account these recommendations and report to GPAC, Scrutiny and finally Cabinet taking into account members' views.	To be determined	Corporate Director of Resources

Recommendation 12		
The Chief Executive should put in place arrangements to consider inherent conflicts of interest for executive officers		
Cabinet Member Accountability:		
Action	Deadline	Accountability
12.1 A new code of conduct for all officers is currently in development which will incorporate best practice in regard to the declaration of interests and arrangements for managing any.	May 2022	Monitoring Officer
12.2 An annual review of declarations for all officers will be undertaken each May. This will update a formal register of all declarations to be published on the council website.	May annually	Head of Internal Audit
12.3 CMT, DMTs and all internal governance boards will have declarations of interest added as a standing item to their agendas.	May 2022	Director of Policy, Programmes & Performance
12.4 The Statutory Officers' Board will amend its terms of reference to include the formal review of any officer conflicts of interest and the agreement of arrangements for managing them.	May 2022	Chief Executive

REPORT TO:	Cabinet 21 March 2022
SUBJECT:	Report in the Public Interest October 2020 – Quarter 4 Update
LEAD OFFICER:	Jane West, Corporate Director of Resources (Section 151)
CABINET MEMBER:	Cllr Hamida Ali, Leader of the Council
WARDS:	All

SUMMARY OF REPORT:

The report provides an update in response to the Council's Report in the Public Interest October 2020. Of 41 (34 in-progress and 7 returned by internal audit) recommendations remaining open at quarter three, 19 have moved to complete, pending evidence, see appendix 1A.

Of the 99 tasks, 22 recommendations remain in-progress at quarter four, see Appendix 1B. These breakdown as:

58 published as complete Q3 (65 less 7 internal audit marked for further work)*
 19 Moved to complete this quarter
 22 In-progress
 *(44 confirmed complete by internal audit)

Subsequent to feedback from the Scrutiny and Overview Committee, recommendations will not be moved to complete until embedded in the organisation as 'business as usual'.

Updates have been supplied by the relevant Senior Accountable Officer (SAO), against every recommendation.

This report will be presented to Full Council on 21st March, to Scrutiny and Overview Committee on 22nd March and General Purposes and Audit Committee at a date to be confirmed.

COUNCIL PRIORITIES 2020-2024

This covering report provides an overview of the work that has been progressed to achieve the recommendations as set out in the Report in the Public Interest October 2020. It focuses on the actions that have been progressed since the update that went to Cabinet on the 24th January 2022.

The Action Plan for the Report in the Public Interest October 2020 has been incorporated into the Croydon Renewal Plans and represents one of the 11 programmes of work being delivered.

The action plan covers a wide range of areas including financial management, governance, staff training, assets and budget development all of which are core

elements of any strategy to ensure services are delivered responsively with a focus on value for money for our residents.

FINANCIAL IMPACT:

This report will have no direct financial impact on the borough as its focus is on updating against the recommendations as accepted by the Council in November 2020. Some of the recommendations implemented will have an attached financial cost. This will be included in the costs of the overall improvement plan being developed for the Council.

Any costs incurred previously or in the future to deliver the action plan have or will have gone through the Council's existing controls to ensure the expenditure is essential and represents good value for Croydon. Any costs will need to be contained within the existing approved budget for 2021/2022 to ensure Members are sighted.

The external auditor's costs have totalled £98,275 to 30 September 2021.

KEY DECISION REFERENCE NO.: Not a key decision

The Leader of the Council has delegated to the Cabinet the power to make the decisions set out below:

1. RECOMMENDATIONS:

- 1.1 Note and agree on the progress the Council has made in regard to achieving the recommendations set out by external auditor in the Report in the Public Interest October 2020 with 77 out of 99 actions complete;
- 1.2 Note the outcome of internal audit of actions delivered to properly evidence what has been achieved so far, in order to provide full assurance to members and residents on the changes achieved;
- 1.3 Agree the refreshed Action Plan including actions marked complete, progress updates against open actions and identification of actions to be embedded going forward as business as usual.

2. EXECUTIVE SUMMARY

- 2.1 On 23rd October 2020 the Council's external auditor, Grant Thornton, issued a Report in the Public Interest October 2020 (RIPI) concerning the Council's financial position and related governance arrangements. In line with the statutory framework for the RIPI, the Council held an Extraordinary Council meeting on 19th November 2020 to discuss the report and the proposed action plan to address it.
- 2.2 The April 12th update, approved by Cabinet, provided a comprehensive progress update across all recommendations and also agreed the refreshed

RIPi Action Plan having incorporated views from both the Scrutiny and Overview Committee (SOC) and General Purposes and Audit Committee (GPAC). This was then updated with the first quarterly update which went to Cabinet on the 7th June, GPAC on the 10th June and SOC on the 15th June. This report noted that the Council had completed 55/99 actions in the RIPi Action Plan and provided progress updates against all remaining actions.

- 2.3 This covering report represents the fourth quarterly update. It details progress on 41 actions, including 7 internal audit of actions marked as complete, where it was recommended that further steps were needed to fully embed these actions in the organisation as 'business as usual'.

3. HIGH-LEVEL UPDATE ON THE ACTION PLAN

- 3.1 Tabled immediately below is data on the delivery progress of the 99 RIPi actions, including results from internal audit.

1 Period	2 Number of actions marked complete	3 Actions audited	4 Actions confirmed complete by Internal Audit	5 Actions flagged by Internal Audit for further work	6 Actions outstanding (total of columns 5 & 6)
Q4-Apr 21	35 of 99	-	-	-	64
Q1-Jun 21	55 of 99	-	-	-	44
Q2-Oct 21	62 of 99	35	31	4	41
Q3-Jan 22	65 of 99	51	44	7	34
Q4-Mar 22	77 of 99				22

- 3.2 The Council has delivered a total of 77 actions to date, 19 of which have been reported as complete since the Quarter 3 update to 24th January Cabinet.
- 3.3 The Action Plan recognises that not every action can be marked "complete" and left. In some cases, actions will need to be embedded into business as usual (BAU) processes before being marked complete. Additionally, a number of the actions are representative of aspects of systemic and cultural shifts that will need to be continued going forward to embed sustained positive change and good practice. Some of these actions will remain open as the Council acknowledges that achieving the desired outcome will be a long-term process (e.g. co-creating a working environment that respects and values all our staff and take positive action to ensure that this is the case" LBC 4 – iv). The Council is therefore committed to providing updates in further quarterly reports against these.

- 3.4 Appendix 1a updates progress against the 41 actions that were outstanding at 24th January 2022 Cabinet. Appendix 1b lists all actions reported at 10th February 2022.
- 3.5 The Council recognises it must continue to push to deliver and progress the 22 outstanding actions to ensure momentum is not lost and that the Council's response to the RIPI achieves the critical organisational change necessary.
- 3.6 The table below sets out the actions identified as high priority by the external auditor with a RAG rating.

High Priority Action	Actions Completed/Total Actions	RAG
R1a Children's Social Care	3/5 5 were marked complete in 7 th June Quarter 1 Update	Updates have been provided to GPAC on 25th November 2021, Scrutiny on 18th January 2022, Childrens Continuous Improvement Board on 19th January 2022 and the Corporate Director updates CMT as part of the regular weekly updates.
R1b Adult Social Care	7/9 8 were marked complete in 7 th June Quarter 1 Update	S.151 officer commented on the significant progress made and has requested ASC&H take progress to GPAC to allow this task to be marked as complete.
R2 Adequacy of Council Reserves	4/4	<u>Member training</u> - The Local Government Association delivered training to Scrutiny and Overview Committee on 27th October 2021 and to General Purposes and Audit Committee on 22 November 2021. The training offer will be refreshed annually and continually offered to members as BAU going forward. A member induction programme planned for May 2022 will be informed by the RIPI recommendations. <u>Assurance to Scrutiny and Overview Committee on budget</u>

		<p><u>delivery</u> - Monthly reports are taken to Cabinet and to Scrutiny and Overview Committee. Officers will continue to take monthly in year financial reporting monitor to each meeting of Scrutiny and Overview Committee.</p>
R3 Use of Transformation Funding	0/2	<p>Training on transformation funding is covered in the training provided for members by the Local Government Association (see comment in row immediately above).</p> <p>Budget reports in January / February will include a section on transformation funding to ensure members have a full understanding.</p>
R9 Budget Challenge/Rigour	5/5 – Marked complete in 12 th April Update	
R12 Revolving Investment Fund	3/3 – Marked complete in 12 th April Update	
R14 Treasury Management	2/2– Marked complete in 12 th April Update	
R18 Ongoing investment in Brick by Brick	1/1– Marked complete in 12 th April Update	
R20 Governance of subsidiaries	4/9 (was 0/9 in June Quarter 1 Update)	<p>Following Cabinet approval of the July 26th “Governance of Croydon Council Companies” Paper, The Croydon Companies’ Supervision and Monitoring Panel (CCSMP) has been set up. Its role is to ensure the Council’s strategic and good governance objectives are met across the Council’s subsidiaries.</p> <p>Through the introduction of this Panel, several actions have been</p>

		<p>completed that relate to ensuring good governance mechanisms to monitor and regulate the handling of Council companies have been introduced. The group will continue to deliver against these actions as BAU.</p> <p>The outstanding actions related to constitutional changes and training have been progressed, details of which can be seen in Appendix 1A.</p> <p>The first CCSMP report is expected to be presented to Cabinet in February 2022.</p>
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4. KEY MILESTONES ACHIEVED THIS UPDATE

4.1 A comprehensive summary of actions taken to date across all recommendations is contained within the refreshed action plan in appendix 1a (outstanding actions) and appendix 1b (all actions). This section provides some additional information on key achievements delivered since the Quarter 3 Update to 24th January 2022 Cabinet.

4.2 The Children's Continuous Improvement Plan details the directorate actions to meet the MTFs savings alongside the children's social care service improvement priorities. The latter set out the service actions that will collectively continue to safely manage demand and deliver the required savings over the MTFs.

Progress updates have been regularly provided:

- GPAC on 25th November 2021
- Children and Young People's Scrutiny Committee on 18th January 2022
- A 6 monthly progress report against the plan to the Children's Continuous Improvement Board on 19th January 2022

In addition the Corporate Director continues to inform the Corporate Management Team as part of the regular weekly updates.

4.3 Adult Improvement plan governance updates include; Budget and demand papers to Health and Social Care Scrutiny Sub-Committee:- Budget proposals 21/22 (Jan 21); Autism Strategy (Mar 21); Overview of 21/22 Adults Budget (May 21); Overview of ASC 21/22 Finance Performance (June 21); Overview of the Transitions Service (Sep 21); ASC budget and savings briefing (Nov

21); and, ASC Budget Deep Dive (Jan 22). The last report specifically focussed on (1) impact of reviews; (2) managing demand; and (3) the ASCH Strategy, which the committee gave broad support to, and noted its role in tracking and requiring progress updates moving forward. The ASCH Strategy was approved at Cabinet on 7th February 2022.

S.151 officer commented on the significant progress made and has requested ASC&H take progress to GPAC to allow this task to be marked as complete.

- 4.4 In order to strengthen member oversight of progress in delivering the Council's budget, monthly reports are taken to Cabinet, and Scrutiny and Overview Committee. Officers will continue to take monthly in year financial reporting monitor to each meeting of Scrutiny and Overview Committee.
- 4.5 Transformation funding - The Medium Term Financial Strategy (MTFS) and the Budget Report that were presented to Cabinet and Full Council on 7th March 2022 included a section on transformation funding to ensure members have a full understanding on how the Council intends to use flexible capital receipts to support efficiencies . The Transformation Funding proposals for 2022/23 are included within section 16 in the MTFS and Budget report. . Progress and update report will be done on an annual basis with the first one due in June 2022.
- 4.6 Risk Management - Risk factors are being incorporated into monthly monitoring reports and throughout budget setting process. The level of risk and appetite is being assessed and is being incorporated into the strategy of rebuilding general and earmarked reserves. All new projects will take into account level of all risks and appetite.
- 4.7 The Corporate Risk register has been further developed with monthly review of all corporately rated red risks/financial risks taking place at CMT to ensure top level leadership. All financial risks associated with budget changes are scrutinised via Star Chamber budget setting process. Financial and other risks are outlined in Cabinet reports.
- 4.8 UASC Grant Funding - Report to cabinet on 21 February 2022 on accommodating asylum seekers in Croydon set out the forecast budget pressure for unaccompanied children now over 18 in 2021/22 and the estimated pressure in 2022/23 and 2023/24. Based on these further representations are planned with the DFE, Home Office and DHLUC to address these projected shortfalls.
- 4.9 Subsidiary Governance - Company Director training with the Council's external legal partners was delivered on 1 February 2022. The Croydon Companies Supervision and Monitoring Panel (CCSMP), chaired by Director of Commercial Investment and Property will meet monthly to retain overview over subsidiaries and liaise with the relevant working group dealing with the Council's constitution changes. The Panel provides formal updates to both Cabinet & GPAC/Scrutiny. The CCSMP first report is expected to be

presented to Cabinet in March 2022. The setup of the CCSMP board was formally approved at Cabinet on 26th July 2021. The report provided for the Group Entities that the Council was responsible for along with the Terms of Reference for the Panel.

5. PROGRESS UPDATE ON INTERNAL AUDIT

(This section to be updated on receipt of Internal Audit update)

- 5.1 To provide additional assurance on the delivery of the RIPI Action Plan as reported, internal audit review completed actions to confirm they have been actioned as reported and that, where appropriate, these now form part of the Council's governance framework (see appendix 2). The table at paragraph 3.1 above provide summary data on the outcome of audit investigations to date.
- 5.2 Internal Audit assurance was obtained through a combination of corroborative enquiry, examination of relevant documents (including meeting minutes) and interrogation of computer applications.

6. FUTURE UPDATES ON THE REPORT IN THE PUBLIC INTEREST OCTOBER 2020

- 6.1 The RIPI action plan has been incorporated into the wider Croydon Renewal Plan and forms 1 of the 11 programmes of work aiming to support the Council's financial recovery, improve governance arrangements and drive operational improvement. The Croydon Renewal Plan currently consists of nearly 400 recommendations which are to be delivered within the next 4-5 years.
- 6.2 Per the action plan (appendix 1a and appendix 1b), quarterly RIPI updates are to be provided to GPAC, SOC, Council and Cabinet. This report will be presented to Full Council on 21st March, to Scrutiny and Overview Committee on 22nd March and General Purposes and Audit Committee at a date to be confirmed.
- 6.3 The dates for the remaining updates this financial year are in the table shown below

RIPI Update Report	SOC	Cabinet Date	Full Council	GPAC
Q.4 Update	22 nd March	21 st March	28 th March	TBC

7.

CONSULTATION

- 7.1 The action plan has been previously reviewed by both GPAC and the SOC who made recommendations to enhance what was being progressed. These changes were approved by Cabinet on 12th April 2021. Services have been directly engaged with to ensure updates were recorded accurately and contained the most up to date information.

8. FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

- 8.1 At 30 September 2021 external auditor's costs totalled £98,275. This is an increase of £33,275 on the amount (£65,000) reported in April 12 Cabinet paper and June Quarter 1 update. The Council agreed a fee of £0.065m with the external auditor in October 2020. Since then there has been further work done by the auditor which will result in additional fees for the Council. These fees are yet to be confirmed and the Council will be doing so before financial year end.
- 8.2 The Council is working to deliver the overarching improvement plan, of which the RIPI action plan forms a key part. Costs will be incurred delivering many of the actions contained within the plan and these will be presented to Members as the Council's Improvement Journey progresses. Any costs will need to be contained within existing budget provisions.
- 8.3 As indicated some of these recommendations have progressed well and the Council has already benefited from improved financial position from these. The reserves balance has improved since start of 2020/21 and as part of our recent monthly financial performance monitor reports we have seen reductions in children and adults social care spend. The Council has a better grip on its finances with Brick by Brick and a large amount of previously Revolving Investment Fund investment is also better managed.

Approved by: Nish Popat, Interim Head of Corporate Finance

9. LEGAL CONSIDERATIONS

- 9.1 The Head of Litigation and Corporate Law comments on behalf of the interim Director of Law and Governance that the Report in the Public Interest October 2020 ("the Report") dated 23 October 2020 was issued under the provisions of the Local Audit and Accountability Act 2014 ("the Act"). The Council must comply with the requirements of the Act in responding to the Report.
- 9.2 Under the provisions of paragraph 5(5) and (6) of Schedule 7 to the Act, the Council must decide within one month whether the Report requires the authority to take any action or whether the recommendations are to be accepted. It must

also decide what, if any, action is to be taken in response to the Report and its recommendations. The Report was considered at the Council meeting on 19 November when all of the Report's recommendations R1 – R20 and additional recommendations LBC1 – LBC3 was agreed together with an Action Plan in response to each of the recommendations. A further recommendation LBC4 was added following additional consultation. Paragraph 7 goes on to provide that the authority's functions under paragraph 5 are not to be the responsibility of the executive.

- 9.3 Paragraph 10(1) of the Act provides that after considering the Report and its response to it, the Council must notify the external auditor of its decisions, and publish a notice on its website containing a summary of those decisions which has been approved by the external auditor.
- 9.4 At the time of writing this report, all of the relevant requirements of the Act have been complied with.
- 9.5 Any additional legal considerations arising from individual work-streams will be assessed as projects and actions come forward.

Approved by: Sandra Herbert, Head of Litigation and Corporate Law Deputy Monitoring Officer on behalf of the interim Director of Law and Governance and Deputy Monitoring Officer.

10. HUMAN RESOURCES IMPACT

- 10.1 There are no immediate human resource impacts arising directly from the recommendations in this report. However, there will be impacts associated with the delivery of the improvement plan. The improvement plan is part of a range of measures relating to improving the Council's financial position and it is inevitable that this will ultimately impact on the Council's workforce when the Council's agreed Human Resources policies and procedures will be followed.
- 10.2 Human resources impacts will be appropriately reported to the relevant decision-making bodies and the Council's recognised trade unions will be consulted in the usual way before any individual actions from the plan are implemented.

Approved by: Gillian Bevan, Head of HR, Resources and Assistant Chief Executives

11. EQUALITIES IMPACT

- 11.1 There are no equality impacts arising directly from the recommendations in this report. As such, an equality analysis has not been undertaken following the initial response to the external auditor's report. However, there will be impacts associated with the delivery of the improvement plan. The

improvement plan is part of a range of measures relating to improving the Council's financial position and it is inevitable that this will ultimately impact on the Council's workforce and the communities it serves.

- 11.2 Consideration will be given as each of the individual actions included in the Action Plan are implemented as to whether they are relevant to equalities and will require an equalities impact assessment undertaken to ascertain the potential impact on vulnerable groups and groups that share protected characteristics.
- 11.3 Any improvements to governance that arise from the implementation of the recommendations in the action must pay due regard to ensuring that all residents in Croydon are able to understand the actions the Council takes in their name, the decisions it makes to spend resources on their behalf, and who is accountable for that action.
- 11.4 Close attention will need to be paid to ensure the Council is as transparent as possible and is as open and engaging with all its local communities through this process of improvement and afterwards in the new governance practices that are established.

Approved by: Denise McCausland, Equalities Manager

14. ENVIRONMENTAL IMPACT

- 14.1 There are no positive or negative impacts on the environment as a result of any of the recommendations of this report.

15. CRIME AND DISORDER REDUCTION IMPACT

- 15.1 There are no implications in this report that would have an impact on crime prevention or reduction.

16. DATA PROTECTION IMPLICATIONS

- 16.1 **WILL THE SUBJECT OF THE REPORT INVOLVE THE PROCESSING OF 'PERSONAL DATA'?**

NO

- 16.2 **HAS A DATA PROTECTION IMPACT ASSESSMENT (DPIA) BEEN COMPLETED?**

NO, as the report contains no sensitive/personal data

Approved by Richard Ennis; Interim Corporate Director of Resources (Section 151) and Deputy Chief Executive

CONTACT OFFICER: Anthony Thacker, Business Improvement Manager, Policy Programmes and Performance

APPENDICES TO THIS REPORT: Appendix 1a – Outstanding RIPI Actions
Appendix 1b – All RIPI Actions
Appendix 2 – Internal Audit Results

BACKGROUND DOCUMENTS: None

DRAFT

APPENDIX 1a - ACTION PLAN IN RESPONSE TO THE REPORT IN PUBLIC INTEREST OCTOBER 2020 – PROGRESS AGAINST ACTIONS SINCE Q3, REPORTED AT MARCH 2022

1. The Council has fully accepted all recommendations made by the external auditor (R1-R20)
2. The Council has added additional recommendations LBC1-4.
3. There are 9 high priority recommendations from the external auditor for the Council to urgently address:
4. Actions marked as “GPAC/SOC” recommendation came from their input following consultation carried out in Dec 2020/Jan 2021

High Priority Actions	High Priority Actions
R1a Children’s Social Care	R12 Revolving Investment Fund
R1b Adult Social Care	R14 Treasury Management
R2 Adequacy of Council Reserves	R18 Ongoing investment in Brick by Brick
R3 Use of Transformation Funding	R20 Governance of subsidiaries
R9 Budget Challenge/Rigour	

A note has been made against actions that do not represent “one-off” measures but instead represent actions, principles and values that should be continually delivered or established as repeating tasks. These actions will be marked as Business as Usual (BAU) in the “Status/Updated Deadline” column.

APPENDIX 1a - ACTION PLAN IN RESPONSE TO THE REPORT IN PUBLIC INTEREST OCTOBER 2020 – PROGRESS AGAINST ACTIONS SINCE Q3, REPORTED AT MARCH 2022

Overall accountability for the action plan rests with the Chief Executive

Recommendation 1a – HIGH PRIORITY
 The Executive Director Children Families and Education needs to address the underlying causes of social care overspends in children’s social care and take effective action to manage both the demand and the resulting cost pressures.

Cabinet Member Accountability: Councillor Flemming, Cabinet Member for Children, Young People and Learning

Action	Original Deadline	Progress made to March 2022 (Quarter 4)	Status/Updated Deadline	Accountability
iii) The progress report will be routinely presented to the Children’s Improvement Board, Executive Leadership Team, Cabinet, General Purposes and Audit Committee and Scrutiny & Overview Committee which will bring a greater level of control and transparency (see Recommendation 5 which will also be incorporated into this process). The first report to members will be accompanied by detail outlining the statutory and non-statutory areas of service and the impact of demand management across the service.	Original Deadline: March 2021	The Corporate Finance, Performance and Risk report will provide an update on improvement actions across the Council including Children’s. (1a-ii) Training will be offered to members on the nature of statutory and non-statutory service (See LBC3-i) Updates have been provided to GPAC on 25th November 2021, Scrutiny on 18th January 2022, Childrens Continuous Improvement Board on 19th January 2022 and the Corporate Director updates CMT as part of the regular weekly updates.	In-progress	Interim Executive Director, Children Families and Education
v) Data set used to inform progress report to be collated, updated and shared with GPAC to allow members to monitor progress on managing demand within social care.		Dataset developed and being progressed further. The Corporate Finance, Performance and Risk report draws upon this data and provides GPAC with the relevant information per this action.	In-progress	Interim Corporate Director, Children Families and Education

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APPENDIX 1a - ACTION PLAN IN RESPONSE TO THE REPORT IN PUBLIC INTEREST OCTOBER 2020 – PROGRESS AGAINST ACTIONS SINCE Q3, REPORTED AT MARCH 2022

Action	Original Deadline	Progress made to March 2022 (Quarter 4)	Status/Updated Deadline	Accountability
<p>Recommendation 1b – HIGH PRIORITY The Executive Director Health, Wellbeing and Adults needs to address the underlying causes of social care overspends in adults social care and take effective action to manage both the demand and the resulting cost pressures.</p>				
<p>Cabinet Member Accountability: Councillor Campbell, Cabinet Member for Families, Health and Social Care</p>				
vi) Progress will be governed by reporting to the Executive Leadership Team, Cabinet, General Purposes and Audit Committee and Scrutiny & Overview Committee which will bring a greater level of control and transparency. The first report to members will be accompanied by detail outlining the statutory and non-statutory areas of service and the impact of demand management across the service.	Original Deadline: May 2021	<p>The Corporate Finance, Performance and Risk report will provide an update on improvement actions across the Council including HWA's (1b-v).</p> <p>Training will be offered to members on the nature of statutory and non-statutory service (See LBC3 – i).</p> <p>Budget and demand papers have been to Health and Social Care Scrutiny Sub-Committee:- Budget proposals 21/22 (Jan 21); Autism Strategy (Mar 21); Overview of 21/22 Adults Budget (May 21); Overview of ASC 21/22 Finance Performance (June 21); Overview of the Transitions Service (Sep 21); ASC budget and savings briefing (Nov 21); and, ASC Budget Deep Dive (Jan 22). The last report specifically focussed on (1) impact of reviews; (2) managing demand; and (3) the ASCH Strategy, which the committee gave broad support to, and noted its role in tracking and requiring progress updates moving forward. The ASCH Strategy was approved at Cabinet on 7th February 2022.</p>	Substantially complete	Executive Director Adult Social Care

APPENDIX 1a - ACTION PLAN IN RESPONSE TO THE REPORT IN PUBLIC INTEREST OCTOBER 2020 – PROGRESS AGAINST ACTIONS SINCE Q3, REPORTED AT MARCH 2022

		<p>To date, there have been no requests to take anything to GPAC, asides from the CareCubed report (placements negotiations tool), which will be presented on 16 February GPAC.</p> <p>S.151 officer commented on the significant progress made and has requested ASC&H take progress to GPAC to allow this task to be marked as complete.</p>		
<p>ix) Data set used to inform progress report to be collated, updated and shared with GPAC to allow members to monitor progress on managing demand within social care</p>		<p>A finance and performance work-stream has been established and meets fortnightly. The key objectives for this work-stream are to ensure dashboards are developed to enable the senior management team to track activity against the benchmarking forecasts set out in the adults improvement plan; and against the move towards both London (younger adults) and England (older adults) averages.</p> <p>Bettergov have been commissioned to help finalise dashboard and benchmarking modelling. 2 dashboards are to be utilised one focused on activity which is complete and another on finances which is in development.</p> <p>The MTFs tracker is currently updated weekly.</p> <p>The Corporate Finance, Performance and Risk report draws upon this data and provides GPAC with the relevant information per this action.</p>	<p align="center">Substantially complete</p>	<p>Executive Director Adult Social Care</p>

APPENDIX 1a - ACTION PLAN IN RESPONSE TO THE REPORT IN PUBLIC INTEREST OCTOBER 2020 – PROGRESS AGAINST ACTIONS SINCE Q3, REPORTED AT MARCH 2022

		To date, there have been no adults only Finance, Performance and Risk requests to take anything to GPAC, Directorate understanding is that GPAC sets its own agenda and invites reporting; and that the Corporate KPIs report that ASCH contributes to, is what has been taken to GPAC. The CareCubed report (placements negotiations tool), will be presented on 16 February GPAC following a request in December 2021.		

Recommendation 3 – HIGH PRIORITY

The Chief Executive should oversee a review of the outcomes achieved from the use of transformation funding to demonstrate that the funding has been applied in accordance with the aim of the scheme.

Cabinet Member Accountability: Councillor King, Cabinet Member for Croydon Renewal

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Action	Original Deadline	Progress made to March 2022 (Quarter 4)	Status/Updated Deadline	Accountability
i) A review of all schemes previously funded from transformation capital receipts be undertaken and a report produced that assesses whether the funding has been applied in accordance with the scheme.	Original Deadline: January 2021	This work is completed following discussions with the external auditor. Grant Thorntons external audit update report which refers to transformation monies in 19/20, went to GPAC in October 2021. An update will be made to GPAC as part of the report on the 2019/20 accounts.	In-progress	Interim Director of Finance (Deputy S151)
ii) Training to be delivered to relevant members on transformation funding to raise understanding.		Training on transformation funding is covered in the overall training referenced in recommendation 2(iii) The Medium Term Financial Strategy (MTFS) reporting / February 22 included a section on	In-progress Q4	Interim Director of Finance (Deputy S151)

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		<p>transformation funding to ensure members have a full understanding.</p> <p>Informal briefings have been held with members.</p> <p>There will be training in May for new members.</p>		
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Recommendation 4
 The s151 Officer should set out the strategy for applying capital receipts for transformation annually as part of the budget setting process.

Cabinet Member Accountability: Councillor King, Cabinet Member for Croydon Renewal

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Action	Original Deadline	Progress made to March 2022 (Quarter 4)	Status/Updated Deadline	Accountability
<p>iii) There will be an annual report to the Scrutiny & Overview Committee and GPAC on the use of transformation funding and the delivery of schemes.</p> <p>A corporate strategy needs to be developed to assess future transformation projects prior to funding. This should include a requirement to identify the intended outcomes, risk exposure, ongoing affordability, how success will be measured, how progress will be tracked, and any interdependencies with other projects and any wider benefits.</p>	<p>December 2021 updated deadline June 2022</p>	<p>A report was taken to Council in July 21 detailing a list of transformation projects with intended savings to the Council. The July 2021 Council paper indicated that the Council's capital receipts may be used to fund the Transformation schemes, as allowed under the Flexible Use of Capital Receipts legislation.</p> <p>Based on the capital receipts the Council will receive in 21/22 further bids for transformation funding is being considered and information gathered to test the need for this funding to deliver further savings. Capital Direction information is going in Budget report which is being taking to Scrutiny between despatch to Cabinet and the actual meeting.</p>	<p>Complete Q4</p>	<p>Interim Corporate Director of Resources (Section 151)</p>

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		<p>An established process is now in place for transformation funding to be considered, approved and reviewed. The finance team will continue to provide annual reports in this basis.</p> <p>The Transformation Funding proposals for 2022/23 will be a section in the MTFS report that will go to GPAC on the 16th Feb. [check]</p> <p>Transformation funding used in 2021/22 will be part of the closure of accounts report in the summer.</p> <p>Report will be done on an annual basis with the first one due in June 2022.</p> <p>Report needs to be taken back to Scrutiny and GPAC in July 2022.</p>		
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Recommendation 5
 The General Purposes and Audit Committee should receive reports on the actions being taken to address the Dedicated Schools Grant deficit and challenge whether sufficient progress is being made.

Cabinet Member Accountability: Councillor Flemming, Cabinet Member for Children, Young People and Learning

Action	Original Deadline	Progress made to March 2022 (Quarter 4)	Status/Updated Deadline	Accountability
iv) Implement the 'New Approach to Special Educational Needs delivery' strategy working with schools to ensure that more of our Special Educational Needs pupils are educated in mainstream provision to include:	Early adopter Locality areas from September 2020 Ongoing discussions with current provider (Croydon College) for 2020/21 academic year	Project widened to include further two locality areas. Model being incorporated into SEND Governance Model Further modelling on this being a borough wide model is and will always be in progress.	In-progress	Director of Education

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<ul style="list-style-type: none"> Developing more capacity within the post-16 provision Opening of new Special Educational Needs free schools 	<p>Opened September 2020 in temporary location and from September 2021 in substantive location</p>			
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Recommendation 6

The Executive Director Children, Families and Education needs to review the services provided to UASC and to identify options to meet their needs within the grant funding provided by the Home Office.

Cabinet Member Accountability: Councillor Flemming, Cabinet Member for Children, Young People and Learning

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Action	Original Deadline	Progress made to March 2022 (Quarter 4)	Status/Updated Deadline	Accountability
<p>ii) Negotiate with the Home Office and Department for Education to secure the same financial support provided to other port of entry authorities such as Kent and Portsmouth to cover the exceptional overhead costs caused by the volume of unaccompanied asylum seeking children received in the Borough.</p> <ul style="list-style-type: none"> Full cost recovery for exceptional overheads provided by Croydon such as age assessments, the social care duty service at Lunar House and legal fees. Due to volumes in the Borough from its port of entry position, these cannot be absorbed within normal overhead cost as per all other local authorities. Increased funding for children cared for over and above the voluntary national 	<p>Initial meeting had in November 2020</p>	<p>Confirmation of grant funding of £2.35 million received from the Home Office and DfE at the end of August for the current financial year in recognition of the exceptional additional costs to Croydon.</p> <p>Further representations planned to address the projected shortfall in 2022/23 and 2023/24.</p> <p>A report went to cabinet in June 2021 and a further report is going to cabinet on 21 February 2022.</p> <p>This now sits inside normal service planning as part of BAU.</p>	<p align="center">Complete Q4</p>	<p>Interim Corporate Director, Children Families and Education</p>

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rate to match the funding of Croydon's children in care.				
Recommendation 7				
The Executive Director Children, Families and Education needs to identify the capacity threshold for the numbers of UASC that it has the capacity to deliver safe UASC services to.				
Member Accountability: Councillor Flemming, Cabinet Member for Children, Young People and Learning				
Action	Original Deadline	Progress made to March 2022 (Quarter 4)	Status/Updated Deadline	Accountability
ii) Present options for the Council to deliver safe services within the capacity threshold to the Children's Improvement Board, Cabinet and General Purposes and Audit Committee and Scrutiny & Overview Committee to increase levels of control and improve transparency.	Original Deadline: February 2021	A Cabinet paper on the Council's approach to caring for UASC will be presented on June 7 th 2021. More substantive comment required from officer.	Substantially complete	Interim Corporate Director, Children Families and Education
Recommendation 10				
The General Purposes and Audit Committee must challenge officers on the progress in implementing the Financial Consultant's recommendations to improve the budget setting, monitoring and reporting process and actions to address the Head of Internal Audit's concerns on internal controls.				
Member Accountability: Councillor Karen Jewitt, Chair of General Purposes and Audit Committee				
Action	Original Deadline	Progress made to March 2022 (Quarter 4)	Status/Updated Deadline	Accountability
i) Delivery of the Financial Consultant's recommendations and the Head of Internal Audit's concerns will be reported to the General Purposes and Audit Committee and to the Improvement Board as part of the Croydon Renewal Plan.	October 2020 Actions should be embedded into regular cycle by March 22	As Reported to General Purposes and Audit Committee (16 th Sep 2021), 48 of the recommendations have been embedded into business as usual or completed as required one-off tasks. This includes all the priority 1 to 3 tasks 27 tasks remain to be fully completed or embedded and are designated as amber risk as they remain to be completed	In-progress Q4	Interim Corporate Director of Resources (Section 151)

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		<p>These remaining tasks largely relate to activities that take place once a year as part of budget setting or year-end work and are thus pending.</p> <p>There will be an update to GPAC in April [incl. date]</p>		
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Recommendation 11
 The s151 officer needs to revisit the Growth Zone assumptions following the pandemic and make recommendations to Cabinet and Council for the continued investment in the scheme.

Cabinet Member Accountability: Councillor King, Cabinet Member for Croydon Renewal

Action	Original Deadline	Progress made to March 2022 (Quarter 4)	Status/Updated Deadline	Accountability
iv) The Council needs a mechanism in place to review projects to use the learning to inform any future work. This should be extended across all areas of the Council, with learning retained centrally as a corporate resources.	March 2022	<p>The Programme Management Framework has been developed and published on the intranet and shared with the Community of Practice. Further work is needed to embed the process across the organisation.</p> <p>Internal Audit have flagged the process put in place as not fully embedded.</p>	In-progress Q4	Director of Policy, Programmes and Performance

Recommendation 12 – HIGH PRIORITY
 The s151 officer should review the financial rationale and associated risks and make recommendations to Cabinet and Council on whether the Revolving Investment Fund should continue.

Cabinet Member Accountability: Councillor King, Cabinet Member for Croydon Renewal

Action	Original Deadline	Progress made to March 2022 (Quarter 4)	Status/Updated Deadline	Accountability
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<p>ii) Recommendations to be presented alongside budget review in Feb 2021 to Cabinet, General Purposes and Audit Committee and Scrutiny and Overview</p>	<p>February 2021</p>	<p>As requested, budget position and proposals / risks will be presented to GPAC.</p> <p>Internal Audit have flagged the process put in place as not fully embedded. Status has been moved from complete to in-progress.</p> <p>Whilst reports have not been provided to all the committees listed, the fund is closed and therefore this action is considered to be complete.</p> <p>A report will be submitted to Cabinet in May.</p>	<p align="center">Complete Q4</p>	<p>Interim Director of Finance (Deputy S.151)</p>
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Recommendation 13

The s151 officer should review the purchase of Croydon Park Hotel to identify lessons learned to strengthen future due diligence arrangements.

Cabinet Member Accountability: Councillor King, Cabinet Member for Croydon Renewal

Action	Original Deadline	Progress made to March 2022 (Quarter 4)	Status/Updated Deadline	Accountability
<p>ii) Recommendations, including lessons learned, will inform changes required to governance arrangements and training/development that might be required. These recommendations to be presented alongside budget review in February 2021 to Cabinet, General Purposes and Audit Committee and Scrutiny and Overview.</p>	<p>January 2021</p>	<p>A paper is being presented to the Cabinet Member for Croydon Renewal and the Cabinet Member lead for Resources on 21 December 2021. The objective is that this paper is progressed to General Purposes and Audit Committee at the earliest opportunity. The focus of the paper is:</p> <ul style="list-style-type: none"> Review of lessons learned from the acquisition of Croydon Park Hotel with a view to strengthen due diligence and governance arrangements going forward. This has been reviewed by 	<p align="center">In-progress Q4</p>	<p>Interim Director of Commercial Investment</p>

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		<p>IAP, with useful commentary and provided to Corp Dir Resources & Deputy s151 for comments, which area awaited. This draft is with Cabinet Member Croydon Renewal & Cabinet Member for resources whom are meeting on this 14/02 in order that it can then move to GPAC to complete the process, as Part B due to commercial sensitivities.</p> <ul style="list-style-type: none"> • Property Investment Performance - in particular focussing on the performance of Colonades, Vulcan Way & Imperial Way, as well as reflection on why L.B. Croydon investment performance might differ from private sector investment performance. This will include matters such as the imposition on our operators of London Living Wage, selection of occupiers aligned to corporate objectives and administration. • Update on emerging Asset Strategy, which shall update and continue the work from the Interim Asset Disposal Strategy (Feb 2021). • Commercial Performance / Lessons learnt from Croydon Park Hotel. 		
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<p>iii) Review and re-write the asset investment strategy that was approved by Cabinet in October 2018 incorporating advice from each of the Strategic Reviews. The review will explicitly consider best practice from the sector and lessons learned from other local authorities, the external auditor and the National Audit Office on effective investment practice.</p>	<p>March 2021 Updated deadline March 2022</p>	<p>A consultant has been appointed and progress is being made. However there will be an 8 week delay in taking the strategy to Cabinet. The strategy is now scheduled to go to March 22 Cabinet.</p> <p>An external consultant has been appointed to produce the asset investment strategy which remains in progress and in line with the revised timetable.</p>	<p>In-progress Q4</p>	<p>Interim Director of Commercial Investment</p>
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Recommendation 16
The s151 officer should revisit the Minimum Revenue Provision policy to demonstrate that a prudent approach is being taken.

Cabinet Member Accountability: Councillor King Cabinet Member for Croydon Renewal

Action	Original Deadline	Progress made to March 2022 (Quarter 4)	Status/Updated Deadline	Accountability
<p>i) Link Asset Management has been commissioned to carry out a review of the Minimum Revenue Position policy. The report with recommendations will be discussed with General Purposes and Audit Committee and then on to Cabinet.</p>	<p>December 2020</p>	<p>Minimum Revenue Provision being re-calculated and forecast based on capital proposals and likely capital receipts and is being determined in accordance with regulations pertaining to MRP and policy.</p> <p>Work in progress (MRP policy) – Update to Cabinet is scheduled for February 22.</p> <p>This is covered in the MTFS and Treasury Strategy that are being submitted to Cabinet in February and then full Council.</p>	<p>Complete Q4</p>	<p>Interim Director of Finance (Deputy S.151)</p>

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Recommendation 17
The Cabinet and Council should reconsider the financial business case for continuing to invest in Brick by Brick before agreeing any further borrowing.

Cabinet Member Accountability: Councillor Hamida Ali, Leader of the Council

Action	Original Deadline	Progress made to March 2022 (Quarter 4)	Status/Updated Deadline	Accountability
i) PwC has been commissioned to undertake a strategic review of Brick by Brick with completion expected in November 2020. The report with recommendations regarding the financial business case will be reviewed by the Scrutiny and Overview Committee prior to being presented to Cabinet.	December 2020	The decision to wind the company down but complete key sites between now and 2023/24. The PwC report was taken to Scrutiny...xx	Complete Q4	Interim Director of Commercial Investment

Recommendation 19
The s151 officer and monitoring officer should monitor compliance with loan covenants with Brick by Brick and report any breaches to Members.

Cabinet Member Accountability: Councillor King Cabinet Member for Croydon Renewal

Action	Original Deadline	Progress made to March 2022 (Quarter 4)	Status/Updated Deadline	Accountability
i) Loan covenants are within scope of the PwC strategic review and will be considered as part of the overall recommendations. A review of the existing loan covenants and their governance is to be undertaken. Learning from this review, a new system of control for all loan agreements entered into by the Council will be presented to Members and this will form part of the new	Original Deadline: January 2021	Loan agreements to be redrafted to provide a comprehensive single agreement The February Cabinet report agreed that detail of the revised loan scheme be delegated to the Chief Executive after consultation with the leader and appropriate lead members. Taken to cabinet in November.	Complete Q4	Interim Corporate Director of Resources (Section 151) Interim Director of Finance (Deputy S151)

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<p>Corporate Finance, Performance and Risk reporting system.</p> <p>The review and the proposed new system for loan covenants will be presented to GPAC & Scrutiny and Overview Committee prior to being presented to Cabinet for approval.</p>		<p>Presented to GPAC & Scrutiny and Overview Committee in xxx</p>		
<p>Recommendation 20 – HIGH PRIORITY</p>				
<p>The Cabinet and Council should review its arrangements to govern its interest in subsidiaries, how the subsidiaries are linked, and the long-term impact of the subsidiaries on the Council’s financial position and how the Council’s and taxpayers’ interest is safeguarded.</p>				
<p>Cabinet Member Accountability: Councillor Young, Cabinet Member for Resources and Financial Governance</p>				
Action	Original Deadline	Progress made to March 2022 (Quarter 4)	Status/Updated Deadline	Accountability
<p>v) Essential mandatory training will be undertaken on an annual basis and the retention of the director role for each Councillor and Council official will rely on completion of the recommended training.</p>	<p>March 2021</p>	<p>Company Director training with the Council’s external legal partners was delivered on 1 February 2022.</p> <p>Responsibility to continue as BAU.</p> <p>The first CCSMP report is expected to be presented to Cabinet in March 2022.</p>	<p>In-progress Q4</p>	<p>Interim Corporate Director of Resources (Section 151)</p>
<p>vi) The impact of these changes will need to be reflected in the Council’s Constitution and relevant protocols.</p>	<p>March 2021</p>	<p>Changes to the constitution will be considered as part of the wider changes to be implemented for the constitution.</p> <p>CCSMP will liaise with the relevant working group dealing with the Council’s constitution changes.</p> <p>The first CCSMP report is expected to be presented to Cabinet in March 2022.</p>	<p>In-progress Q4</p>	<p>Interim Corporate Director of Resources (Section 151)</p>

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		Get update from Heather Wills		
vii) Support for the effective governance of the Council's subsidiaries and retaining a corporate overview of activity of individual companies and the whole group of companies is to be developed.	March 2021	<p>Responsibility to continue as BAU.</p> <p>The first CCSMP report is expected to be presented to Cabinet in March 2022.</p> <p>CCSMP will meet monthly to retain overview over subsidiaries.</p> <p>These recommendations were addressed via the establishment of a working group to address the recommendations in the PwC review of Companies. This review focused on the following areas:</p> <ul style="list-style-type: none"> • BxB • AIF • RIF • Growth Zone <p>The first order of business for the group was a decision to expand the remit to all council companies.</p> <p>This group presented a report to Cabinet in September last year, establishing themselves as an internal control board (Croydon Companies Supervision and Monitoring Panel – CCSMP).</p> <p>CCSMP is chaired by the s151 and meet monthly. The Panel provides formal updates to both Cabinet & GPAC/Scrutiny. I have attached the actions and minutes from the</p>	In-progress Q4	Interim Corporate Director of Resources (Section 151)

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		last meeting (the next meeting is on 14 th February 2022).		
viii) Raise awareness of the timing of the Annual General Meetings of subsidiaries amongst Members.	GPAC/SOC Recommendation	<p>Responsibility to continue as BAU.</p> <p>The first CCSMP report is expected to be presented to Cabinet in March 2022.</p> <p>These recommendations were addressed via the establishment of a working group to address the recommendations in the PwC review of Companies. This review focused on the following areas:</p> <ul style="list-style-type: none"> • BxB • AIF • RIF • Growth Zone <p>The first order of business for the group was a decision to expand the remit to all council companies.</p> <p>This group presented a report to Cabinet in September last year, establishing themselves as an internal control board (Croydon Companies Supervision and Monitoring Panel – CCSMP).</p> <p>CCSMP is chaired by the s151 and meet monthly. The Panel provides formal updates to both Cabinet & GPAC/Scrutiny. I have attached the actions and minutes from the last meeting (the next meeting is on 14th February 2022).</p>	In-progress Q4	Interim Corporate Director of Resources (Section 151)

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<p>ix) Cost effective mechanism to publish Board membership of Council subsidiaries to be investigated</p>	<p>GPAC/SOC Recommendation</p>	<p>Responsibility to continue as BAU.</p> <p>The first CCSMP report is expected to be presented to Cabinet in March 2022.</p> <p>These recommendations were addressed via the establishment of a working group to address the recommendations in the PwC review of Companies. This review focused on the following areas:</p> <ul style="list-style-type: none"> • BxB • AIF • RIF • Growth Zone <p>The first order of business for the group was a decision to expand the remit to all council companies.</p> <p>This group presented a report to Cabinet in September last year, establishing themselves as an internal control board (Croydon Companies Supervision and Monitoring Panel – CCSMP).</p> <p>CCSMP is chaired by the s151 and meet monthly. The Panel provides formal updates to both Cabinet & GPAC/Scrutiny. I have attached the actions and minutes from the last meeting (the next meeting is on 14th February 2022).</p>	<p align="center">In-progress Q4</p>	<p>Interim Corporate Director of Resources (Section 151)</p>

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LBC Recommendation 1
Given the challenges ahead there will need to be improvement of the Council’s approach to risk management to enable a satisfactory turnaround of the financial position.

Cabinet Member Accountability: Councillor King Cabinet Member for Croydon Renewal

Action	Original Deadline	Progress made to March 2022 (Quarter 4)	Status/Updated Deadline	Accountability
i) An externally led review of the Council’s appetite for risk needs to be undertaken with Members and Officers to ensure that the council’s financial capacity for managing risk is fully understood.	January 2021	The Council has undertaken benchmarking in relation to ear-marked and General Fund reserves and our general reserves compare favourably to outer London Boroughs. An external review will be undertaken at a future date once we’ve fully completed internal reviews. Risk factors are being incorporated into monthly monitoring reports and throughout budget setting process. Level of risk and appetite is being assessed and is being incorporated into the strategy of rebuilding general and earmarked reserves accordingly.	In-progress	Interim Director of Finance (Deputy Section 151)
iii) Risk considerations to be made at the outset of all new decisions will ensure the Council has capacity, capability and financial resources needed to deliver. The assessment of risk is on the individual decision and its impact on the whole of the Council.	November 2020	Corporate Risk register has been further developed with monthly review of all corporately rated red risks/financial risks taking place at CMT to ensure top level leadership. All new projects will take into account level of all risks and appetite. All financial risks associated with budget changes are scrutinised via Star Chamber	Complete Q4	Interim Director of Finance (Deputy Section 151)

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		<p>budget setting process. Financial and other risks are outlined in Cabinet reports.</p> <p>This now sits as part as standard service planning in BAU.</p>		
iv) Develop training for Members and Officers to understand effective risk management.	January 2021 (updated to May 2021)	<p>Further LGA lead training for Members of GPAC committee took place on 22 November 2021.</p> <p>The Member training and development plan has been prepared but there are significant risks in ensuring its ownership and delivery.</p> <p>One to one risk management refreshers and access to the JCAD risk management system are being provided to every Director and Corporate Director.</p>	Complete Q4	Interim Corporate Director of Resources (Section 151)
v) The Council to review the terms of reference in regards the General Purposes and Audit Committee and Scrutiny & Overview Committee with regards to risk management to ensure there are no gaps in governance, to remove silo thinking and that both committees have a clear understanding of their responsibilities. This will include new guidance and joint training	March 2021	<p>Terms of reference of General Purposes and Audit Committee will be reviewed as part of constitutional changes brought to GPAC prior to full Council in March: a separate Audit Committee is proposed with terms of reference based on the CIPFA model.</p> <p>The Member training and development plan has been prepared on the respective roles of Audit and Scrutiny and will be delivered in the member induction programme from May 2022 onwards (including joint training) but there are significant risks in ensuring its ownership and delivery.</p>	Complete Q4	Interim Corporate Director of Resources (Section 151)

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		Review of terms of reference will be complete in March, training/ guidance to follow in May/ June This now forms part of the BAU.		
LBC Recommendation 2 Clarifying member and officer roles to support good governance arrangements				
Cabinet Member Accountability: Councillor Young Cabinet Member for Resources and Financial Governance				
Action	Original Deadline	Progress made to March 2022 (Quarter 4)	Status/Updated Deadline	Accountability
ii) The Member/Officer protocol is to be reviewed to ensure that it gives clarity on the respective roles and responsibilities for both Members and officers. The protocol should also explicitly place the seven principles of public life, known as the Nolan principles, at its heart. https://www.gov.uk/government/publications/the-7-principles-of-public-life . Training will be held for all Councillors and senior officers to develop good practice.	March 2021	A Member / Officer Task & Finish Group has prepared a revised protocol for consideration by Ethics Committee on 9 th February, prior to the preparation of proposals for constitution changes by GPAC and full Council in March. The Protocol references the Nolan principles and builds on the member and officer codes of conduct, which have the Nolan principles at their heart. The Member and officer training and development plan has been prepared and will be provided to members as part of the member induction from May 2022 onwards but there are significant risks in ensuring its ownership and delivery. As part of the senior restructure, job descriptions for CMT and Directors have directly incorporated the Nolan principles.	Complete Q4	Interim Corporate Director of Resources (Section 151)

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		<p>This now forms part of the BAU.</p> <p>Review of protocol will be complete after Ethics Committee 9th February. Training to follow in March - June 2022.</p>		
iv) Development sessions for Members and officers to better understand each other's respective roles.	March 2021	<p>The Member and officer training and development plan has been prepared and will be provided to members as part of the member induction from May 2022 onwards but there are significant risks in ensuring its ownership and delivery.</p> <p>As part of the move to the Mayoral model of governance, staff briefings have been held and additional training is being considered.</p> <p>This now forms part of the BAU.</p>	Complete Q4	Interim Corporate Director of Resources (Section 151)
v) Review the level of support and advice Scrutiny & Overview Committee and the General Purposes and Audit Committee receives from the Head of Paid Services, Section 151 Officer and Monitoring Officer to ensure that the advice is in line with their statutory responsibilities. With this include clarification on the ability and process for members to request information.	March 2021	<p>The role of statutory chief officers attending Scrutiny and General Purposes and Audit Committee meetings has been clarified and there is now clearer water between the roles of officers and members advising those meetings.</p> <p>A training programme has been agreed by the Member Learning & Development Panel that includes additional sessions for members of both committees.</p> <p>The work programmes for both committees has also been embedded in the new corporate forward planning processes and officers are currently working with members</p>	Complete Q4	Monitoring Officer

APPENDIX 1a - ACTION PLAN IN RESPONSE TO THE REPORT IN PUBLIC INTEREST OCTOBER 2020 – PROGRESS AGAINST ACTIONS SINCE Q3, REPORTED AT MARCH 2022

		<p>with the aspiration of the corporate forward plan being routinely presented to the Scrutiny Committee.</p> <p>The Access to Information Protocol was agreed by Ethics Committee in December and GPAC in January and will be presented to full Council for incorporation into the Constitution in March.</p>		
vi) Review the capacity of the organisation to support the Scrutiny & Overview Committee and the General Purposes and Audit Committee so that activity is prioritised within the financial resources for these functions.	Commenced October 2020	<p>The need for additional resources has been identified, though funding for those resources has not yet been obtained.</p> <p>Partners from the LGA are due to support the Council from January 2022 in reviewing and developing proposals to enhance the Council's decision making governance, including support to these two committees.</p> <p>Budget proposals for 2022/23 include growth of £140k for Democratic Services to help it bridge the current capacity gap. An LGA led peer review is underway to review and develop proposals to enhance the Council's decision making governance, including support to these two committees.</p>	In-progress Q4	Monitoring Officer
<p>LBC Recommendation 3 Ensuring that Members are appropriately trained across all aspects of the Council's financial duties and responsibilities</p> <p>Cabinet Member Accountability: Councillor Young, Cabinet Member for Resources and Financial Governance</p>				

APPENDIX 1a - ACTION PLAN IN RESPONSE TO THE REPORT IN PUBLIC INTEREST OCTOBER 2020 – PROGRESS AGAINST ACTIONS SINCE Q3, REPORTED AT MARCH 2022

Action	Original Deadline	Progress made to March 2022 (Quarter 4)	Status/Updated Deadline	Accountability
i) A detailed training and development programme is being designed to enable all Members to fulfil their roles in regard to their role with sufficient rigour. The programme being developed will cover: <ul style="list-style-type: none"> • Financial management to include the importance of effective budget setting, a robust Medium Term Financial Strategy and rigorous budget monitoring (Add reserves) • Understanding funding sources, eg general fund, housing revenue account and direct schools grant • The role of Audit and the external auditor • Treasury management and capital strategies and the Council’s approach to subsidiaries • Risk assessment • Commercial Investment • Mentoring • Commissioning and Procurement Process • ASC Budget • Transformation Funding • Statutory and non-statutory services 	December 2020	Some training on Finance, Treasury Management and Risk was delivered in the latter part of 2020/early 2021. A training programme aligned with the actions in the RIPI action plan has been developed, costed and approved by Members Learning and Development Panel and Ethics Committee. Delivery commenced in October 2021. A member’s induction programme for May 2022 will be informed by the RIPI recommendations. The training offer will be refreshed annually and continually offered to members as BAU going forward. Member attendance at training is now recorded on the Council’s Modgov system.	Complete Q4	Head of Democratic Services & Scrutiny
iii) Target support to be provided for Cabinet Members, Scrutiny & Overview Committee Members and General Purposes and Audit Committee Members to strengthen the approach to reviewing the emerging plans, actions and risks that are being developed	December 2020	This needs to be considered in conjunction with LBC Recommendations 2(v) and 3(i). Training has been provided to Scrutiny during 2022/3 to support the committee to scrutinise	Complete Q4	Monitoring Officer

APPENDIX 1a - ACTION PLAN IN RESPONSE TO THE REPORT IN PUBLIC INTEREST OCTOBER 2020 – PROGRESS AGAINST ACTIONS SINCE Q3, REPORTED AT MARCH 2022

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<p>as part of the Croydon Renewal Plan, Financial recovery and progress against the Report in the Public Interest October 2020. In particular the training will include:</p> <ul style="list-style-type: none"> • The role of Scrutiny and Overview in relation to finance and General Purposes and Audit Committee • Developing an effective culture of scrutiny and key questioning skills • Maintaining a ‘big picture’ view of the financial pressures affecting the council • Assessing effectively budget and financial plans, budget monitoring, reserves approach • Challenging how resources are allocated • Scrutinising partnership arrangements • Key finance issues for Scrutiny and Overview Committee to consider 		<p>the Croydon Renewal Plan and develop an effective culture of scrutiny.</p> <p>The member induction programme for May 2022 onwards, including training for Audit and Scrutiny Committees has been presented to both the Member Learning and Development Panel and the Ethics Committee.</p> <p>The Access to Information Protocol was agreed by Ethics Committee in December and GPAC in January and will be presented to full Council for incorporation into the Constitution in March.</p> <p>Training complete in this administration, to be delivered afresh from May as part of BAU, so this is completed</p>		
<p>LBC Recommendation 4 The Council develops an improvement programme that has the necessary elements for it to function effectively and within its financial resource.</p>				
<p>Cabinet Member Accountability: Councillor Hamida Ali, Leader of the Council</p>				
<p>Action</p>	<p>Original Deadline</p>	<p>Progress made to March 2022 (Quarter 4)</p>	<p>Status/Updated Deadline</p>	<p>Accountability</p>

APPENDIX 1a - ACTION PLAN IN RESPONSE TO THE REPORT IN PUBLIC INTEREST OCTOBER 2020 – PROGRESS AGAINST ACTIONS SINCE Q3, REPORTED AT MARCH 2022

<p>i) Implement new Council management arrangements that ensure:</p> <ul style="list-style-type: none"> • the delivery of high quality statutory services • finances are appropriately managed and controlled • a sound understanding of risk management is at the heart of the organisation 	<p>April 2021</p>	<p>The restructure proposals approved by Full Council on 5th July 2021 went live on 2nd November. Senior recruitment drive is well underway and ongoing.</p> <p>Interim Assets Strategy in implementation stage with a number of assets targeted to be disposed by end of financial year.</p> <p>Corporate Risk register has been further developed with monthly review of all corporately rated red risks/financial risks taking place at CMT to ensure top level leadership.</p> <p>All new projects will take into account level of all risks and appetite.</p> <p>All financial risks associated with budget changes are scrutinised via Star Chamber budget setting process. Financial and other risks are outlined in Cabinet reports.</p> <p>Monthly monitoring is now embedded and is reported to DMTs, CMTs and Cabinet. Monitoring includes analysis of forecast position, risks and opportunities as well as progress in savings delivery. In addition challenge sessions chaired by the Chief Executive Officer review financial forecasts and risk on a regular cycle.</p> <p>Monthly performance report taken to Cabinet and other Committee meetings.</p>	<p align="center">Complete Q4</p>	<p>Chief Executive Officer</p>
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APPENDIX 1a - ACTION PLAN IN RESPONSE TO THE REPORT IN PUBLIC INTEREST OCTOBER 2020 – PROGRESS AGAINST ACTIONS SINCE Q3, REPORTED AT MARCH 2022

<p>ii) Working with local residents, rebuild the trust with their local Council by focussing on effective delivery of core services, responding promptly and appropriately to queries and complaints and learning from good practice as well as failures and from each other.</p>	<p>April 2021</p>	<p>The Council is utilising feedback, gained via ad-hoc and planned engagement activities with residents to inform development of a range of solutions to better meet current and future needs. This include looking at skills gaps that exists and ways to involve residents in the training of our staff to ensure their voice is reflected in our actions.</p> <p>Sessions with residents have taken place in relation to Regina Road to open up direct communication links between officers and people impacted.</p> <p>Rebuilding trust with residents will be an ongoing process as we improve our culture and systems in order to be the Council our residents need. An update will continue to be provided against this action for the foreseeable future.</p> <p>Sits in standard service planning as part of BAU.</p>	<p align="center">Complete Q4</p>	<p>Director of Policy, Programmes and Performance</p>
<p>iii) Introduce a new system of internal control focussed on finance, performance and risk to manage financial expenditure, risk management, service performance and the delivery of Council priorities. This will follow a monthly cycle of Departmental Leadership Teams, Executive Leadership Team, Cabinet and Scrutiny & Overview as appropriate.</p>	<p>April 2021</p>	<p>Monthly monitoring is now embedded and is reported to DMTs, CMTs and Cabinet.</p> <p>Monitoring includes analysis of forecast position, risks and opportunities as well as progress in savings delivery.</p> <p>In addition challenge sessions chaired by the Chief Executive Officer review financial forecasts and risk on a regular cycle.</p>	<p align="center">Complete Q4</p>	<p>Interim Corporate Director of Resources (Section 151)</p>

APPENDIX 1a - ACTION PLAN IN RESPONSE TO THE REPORT IN PUBLIC INTEREST OCTOBER 2020 – PROGRESS AGAINST ACTIONS SINCE Q3, REPORTED AT MARCH 2022

<p>iv) Building on the work done to date and listening to staff concerns about equality and diversity in the workplace, co-create a working environment that respects and values all our staff and take positive action to ensure that this is the case.</p>	<p>April 2021</p>	<p>We continue tea talk conversations and by the end of December all staff networks would have had an opportunity to challenge CMT with their top issues. We are currently responding to each of the issues that staff have asked that we attend to and formal responses, solutions are being shared with the respective networks and where appropriate all staff.</p> <p>The staff survey results will also be ready for review by the 2nd week of December and will provide some more vital information on actions we need to take as a council to create a more equitable and diverse workforce.</p> <p>Sits in standard service planning as part of BAU.</p>	<p>Complete Q4</p>	<p>Interim Assistant Chief Executive</p>
<p>v) Create a new system of staff performance appraisal, co-created with staff and agreed with the trade unions.</p>	<p>April 2021</p>	<p>The appraisal system has been revised and updated to:</p> <ol style="list-style-type: none"> 1) Make it a more user friendly online system with updated e-learning guidance for completing appraisal 2) Make it more focussed on 1 to 1 and performance conversations throughout the year, rather than ratings. The process considers the health and wellbeing of the appraisee as well as their performance 3) Incorporate into managers appraisal a requirement that all staff be given opportunities for development 4) Include Nolan principles 5) Require all heads of service and above to complete a 360 degree feedback as part of performance appraisal. 	<p>In-progress Q4</p>	<p>Interim Assistant Chief Executive</p>

APPENDIX 1a - ACTION PLAN IN RESPONSE TO THE REPORT IN PUBLIC INTEREST OCTOBER 2020 – PROGRESS AGAINST ACTIONS SINCE Q3, REPORTED AT MARCH 2022

		Process developed and will roll out from April 2022		
vi) By working with Council staff, co-create an environment that is open to listening, free from fear, built on trust and openness and reflects the diverse borough that we serve.	Commenced with appointment of Chief Executive	<p>A provider for Culture Change Programme has been selected and appointed via competitive process. The successful provider is BBS who met with the Chief Executive and the Improvement Panel week commencing 22 November. The provider is due to facilitate a CMT Away-day on 10 December to initiate a programme of work.</p> <p>Development and implementation of the Culture Change programme will potentially take 12 months.</p> <p>Sits in standard service planning as part of BAU.</p>	Complete Q4	Interim Assistant Chief Executive
vii) Agree a training programme for Council staff that includes finance for non-financial managers, Business Case Development, understanding risk, project management and the Council's own governance processes.	January 2021	<p>Training programme to be developed based on assessment of training required. Target is to deliver training in Quarter 4, 2021/22 and/or Quarter 1, 2022/23.</p> <p><i>This training was set up to be delivered during this year but Finance were unable to support the timing. I therefore suggest a form of words that says – Officer training to be delivered during financial year 22/23 to reflect systems changes that have taken place and are now working.</i></p>	In-progress Q4	Interim Assistant Chief Executive
xi) Council is to provide appropriate officer support is given to Scrutiny in order that it can fulfil its role.	GPAC/SOC Recommendation	Please note the actions in response to recommendation 2(v).	In-progress Q4	Monitoring Officer

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		<p>While it is recognised that additional resource is required, it has not as yet been possible to obtain the necessary funding.</p> <p>Budget proposals for 2022/23 include growth of £140k for Democratic Services to help it bridge the current capacity gap. An LGA led peer review is underway to review and develop proposals to enhance the Council's decision making governance, including support to these two committees.</p>		
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**APPENDIX 1b - ACTION PLAN IN RESPONSE TO THE REPORT IN PUBLIC INTEREST OCTOBER 2020 – STATUS ALL ACTIONS
QUARTER 4, MARCH 2022**

1. The Council has fully accepted all recommendations made by the external auditor (R1-R20)
2. The Council has added additional recommendations LBC1-4.
3. There are 9 high priority recommendations from the external auditor for the Council to urgently address:
4. Actions marked as “GPAC/SOC” recommendation came from their input following consultation carried out in Dec 2020/Jan 2021

High Priority Actions	High Priority Actions
R1a Children’s Social Care	R12 Revolving Investment Fund
R1b Adult Social Care	R14 Treasury Management
R2 Adequacy of Council Reserves	R18 Ongoing investment in Brick by Brick
R3 Use of Transformation Funding	R20 Governance of subsidiaries
R9 Budget Challenge/Rigour	

A note has been made against actions that do not represent “one-off” measures but instead represent actions, principles and values that should be continually delivered or established as repeating tasks. These actions will be marked as Business as Usual (BAU) in the “Status/Updated Deadline” column.

**APPENDIX 1b - ACTION PLAN IN RESPONSE TO THE REPORT IN PUBLIC INTEREST OCTOBER 2020 – STATUS ALL ACTIONS
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Overall accountability for the action plan rests with the Chief Executive

Recommendation 1a – HIGH PRIORITY
The Executive Director Children Families and Education needs to address the underlying causes of social care overspends in children’s social care and take effective action to manage both the demand and the resulting cost pressures.

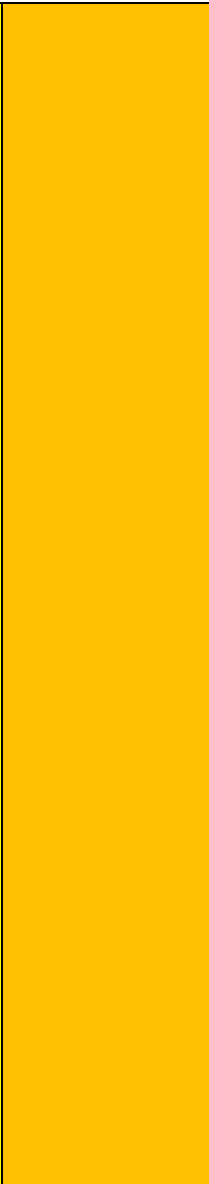
Cabinet Member Accountability: Councillor Flemming, Cabinet Member for Children, Young People and Learning

Action	Officer comment	Summary of Internal Audit work	Status	Officer accountability
i) Develop a strategy for managing demand and expected impact / outcome and set up panels to manage activity and cost: - Weekly care panel to divert children from care - Bi-weekly Children Looked After review panel to identify children who can be supported to be reunited with families from care, and to systematically review higher cost placements	The Care Panel was established in February 2021. Outcomes from the care panel & new entries to care are monitored weekly at DLT. To build on this work further process maps are being refreshed to formalise challenge, authorisation and decision making for children in care or at risk of care. A scoping workshop to enhance multi-agency partnership provision has also been delivered in March 2021.	The CFE Delivery plan was agreed in February 2021 following review and challenge at the Children’s Continuous Improvement Board (CCIB) and CYP Scrutiny Sub-Committee. Examination of CFE Delivery plan confirmed that this sets out the approach to continuing to manage demand and reduce costs to achieve the MTFs savings across the directorate. Examination of Continuous Improvement Plan (CCIP) established that MTFs for Early Help and Children’s Social Care had been embedded in CCIP 2021-2024. The CCIP plan was also reviewed and challenged at the CCIB and CYP Scrutiny in July 2021 before being finalised. Children Looked After Review Panel terms of Reference confirmed that the CARE panel was established to support children who have become looked after to be reunited with their. The CARE panel meets weekly chaired by a Head of Service. Actions are minuted and	PUBLISHED COMPLETE	Interim Director, Early Help and Children’s Social Care

**APPENDIX 1b - ACTION PLAN IN RESPONSE TO THE REPORT IN PUBLIC INTEREST OCTOBER 2020 – STATUS ALL ACTIONS
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		reviewed at each meeting. It was confirmed that the funding protocol process map for CARE Panel and Children Looked After (CLA) were established.		
<p>ii) Develop a monthly Corporate Finance, Performance and Risk report to progress, track and measure activity. Specifically for Children’s social care, this will monitor the effectiveness of actions to reduce the number of local children in care.</p> <p>This progress report will bring together data on the monthly movement in numbers of children in care, the achievement of care outcomes, the financial impact including full year forecast, and benchmarking against best practice.</p>	<p>The June 7th Corporate Finance, performance & Risk report iteration will provide a final set of CRP measures, and targets set to date, as well as a further update on the work streams in place to produce a full set of corporate performance reports by September 2021 Cabinet.</p> <p>The monthly reports will develop over time as recommendations are progressed.</p>	<p>Examination of the ‘Corporate Finance, Performance & Risk’ reports to the October and November 2021 Cabinet meetings confirmed that this included data on the monthly movement in numbers of children in care, the achievement of care outcomes, the financial impact and benchmarking against best practice.</p> <p>First iteration of report now developed and shared. Updates are scheduled to come to Cabinet monthly.</p>	PUBLISHED COMPLETE	Interim Corporate Director, Children Families and Education
<p>iii) The progress report will be routinely presented to the Children’s Improvement Board, Executive Leadership Team, Cabinet, General Purposes and Audit Committee and Scrutiny & Overview Committee which will bring</p>	<p>The Corporate Finance, Performance and Risk report will provide an update on improvement actions across the Council including Children’s. (1a-ii)</p> <p>Training will be offered to members on the nature of statutory and non-statutory service (See LBC3-i)</p>	<p>Examination of the ‘Windows into Practice’ document confirms that the CSC Monthly Dashboard provided rolling monthly statistics on Key Performance Indicators (KPI), detailing that ‘the dataset includes a 12-month performance summary for key indicators and activity as well as year-on-year local authority comparative</p>	IN-PROGRESS	Interim Corporate Director, Children Families and Education

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<p>a greater level of control and transparency (see Recommendation 5 which will also be incorporated into this process). The first report to members will be accompanied by detail outlining the statutory and non-statutory areas of service and the impact of demand management across the service.</p>	<p>Updates have been provided to GPAC on 25th November 2021, Scrutiny on 18th January 2022, Childrens Continuous Improvement Board on 19th January 2022 and the Corporate Director updates CMT as part of the regular weekly updates.</p>	<p>data to map performance trends. Benchmarking data for England average and statistical neighbours are included where this information is publicly available’.</p> <p>Examination of the CSC Performance spreadsheet confirmed that 129 numeric indicators were being tracked monthly and examination of the Croydon Children’s Continuous Improvement Board (CCIB) meeting minutes and accompanying papers confirmed these indicators were reported to these meetings.</p> <p>Examination of the Executive Leadership Team (ELT) /Corporate Management Team (CMT) forward planner confirmed that the ‘Corporate Finance, Performance and Risk’ report was a monthly agenda item, being reported at the 4th meeting each month.</p> <p>Examination of the October and November 2021 Cabinet meetings minutes confirmed that ‘Corporate Finance, Performance & Risk’ reports were reported to these meetings.</p> <p>Examination of General Purpose Audit Committee (GPAC) meeting minutes and the ‘GPAC Work Programme’ established that the ‘Corporate</p>		
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**APPENDIX 1b - ACTION PLAN IN RESPONSE TO THE REPORT IN PUBLIC INTEREST OCTOBER 2020 – STATUS ALL ACTIONS
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		<p>Finance, Performance and Risk' report had not been reported to GPAC and was not on the 'Work Programme'. Although reported to the 15 June Overview and Scrutiny Committee, the 'Corporate Finance, Performance & Risk' was not reported to subsequent Committee meetings and was not on the Committee's 'Work Programme'.</p>		
<p>iv) Secure independent external challenge through the Partners in Practice programme to enable valid judgements to be made about the correct level of funding to meet the needs of Croydon's children in care.</p>	<p>Report from LB Camden received under Partners in Practice Programme – December 2020</p> <p>Independent Financial Adviser commissioned by the DfE to provide expert challenge and support commenced on 22/2/21 for a period of 9 months.</p> <p>Ongoing support until November 2021</p>	<p>Copies of parts 1 and 2 of the 'Review of Croydon's Children Looked After Service' by the London Borough of Camden, dated 'October/November 2020' and 'December 2020' respectively were obtained.</p> <p>Part 1 looked at proposals for the redesign of the service, while Part 2 looked at (a) commissioning arrangements, (b) the changing needs/profile of children looked after and unaccompanied asylum seeking children, (c) the availability and resourcing of good quality services, (d) transitions issues and permanency planning.</p> <p>Examination of the 'Croydon Financial Transformation Advisor Spec 221220' and the 'DfE Advisor Report May 2021' confirmed that a DfE advisor commenced their 'role on 22 February 2021 on a 9 month contract to look at improvements and</p>	<p>PUBLISHED COMPLETE</p>	<p>Interim Corporate Director, Children Families and Education</p>

**APPENDIX 1b - ACTION PLAN IN RESPONSE TO THE REPORT IN PUBLIC INTEREST OCTOBER 2020 – STATUS ALL ACTIONS
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		transformation within Croydon's Children's Services Finance'. The 'DfE Advisor Report May 2021' being an 'Initial Progress Report' detailing actions and recommendations to date, as well as future tasks.		
v) Data set used to inform progress report to be collated, updated and shared with GPAC to allow members to monitor progress on managing demand within social care.	Dataset developed and being progressed further. The Corporate Finance, Performance and Risk report draws upon this data and provides GPAC with the relevant information per this action.	Examination of General Purpose Audit Committee (GPAC) meeting minutes and the 'GPAC Work Programme' was unable to locate any instances of the 'Corporate Finance, Performance and Risk' report being reported to GPAC. It is acknowledged, as detailed in 1(a) (iv) above, that this data was initially provided to the Overview and Scrutiny Committee and regularly to Cabinet.	IN-PROGRESS	Interim Corporate Director, Children Families and Education

Recommendation 1b – HIGH PRIORITY

The Executive Director Health, Wellbeing and Adults needs to address the underlying causes of social care overspends in adults social care and take effective action to manage both the demand and the resulting cost pressures.

Cabinet Member Accountability: Councillor Campbell, Cabinet Member for Families, Health and Social Care

Action	Officer comment	Summary of Internal Audit work	Status	Officer accountability
i) Commission a diagnostic of spend and opportunities to be carried out by the Local Government Association (LGA) National Care & Health Improvement Adviser Finance and	This was carried out and used during November 2020 to inform development of the Adult Social Care Improvement Plan	It was confirmed that the 'Observations of Croydon Adult Social Care' by the Local Government Association (dated 5 November 2020) were presented as part of the 'ACS Budget Workshop' in November 2021.	PUBLISHED COMPLETE	Corporate Director Adult Social Care and Health

**APPENDIX 1b - ACTION PLAN IN RESPONSE TO THE REPORT IN PUBLIC INTEREST OCTOBER 2020 – STATUS ALL ACTIONS
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<p>Risks to inform future shape of transformation opportunities.</p>		<p>The 'Adults Social Care Improvement Plan 2021 – 2024' confirms in paragraph 1.3 that, 'Working closely with a Local Government Association (LGA) Adults and Finance expert, we have reviewed every aspect of our budget. We have modelled plans to deliver significant savings over three years, based on LGA recommendations.'</p>		
<p>ii) Review the current service delivery models of adult social care and gateway services to right size the budget and delivery model to benchmark with comparator Councils in relation to population and service outcomes.</p>	<p>Data has been collected which provides benchmarking of Croydon ASC care spend vs other Councils, this was factored in to the Adult Social Care Improvement Plan.</p> <p>Budget modelling has been agreed for ASC for 21/22 budget. Service modelling forms part of adult's improvement plan.</p>	<p>The 'Adult Social Care Benchmarking 2019-20' report dated 31 December 2020 demonstrates that the Council had benchmarked against the 152 Councils with Adult Social Care Services Responsibilities in England for the period 1 April 2019 to 31 March 2020.</p> <p>The 'Health, Wellbeing and Adults Budget Development Session' dated 1 October 2020, the 'ACS Budget Workshop' in November 2021 and the Adults Social Care Improvement Plan 2021–2024' and the presentation of the Executive Director of Health, Wellbeing and Adults to the Scrutiny Health & Social Care Sub-Committee on 26 January 2021 all included benchmarking data.</p> <p>The Care Cubed tool (detailed in 1b(iii) below) is being trialled to provide the ability to benchmark placements costs with other councils.</p>	<p>PUBLISHED COMPLETE</p>	<p>Corporate Director Adult Social Care and Health</p>

**APPENDIX 1b - ACTION PLAN IN RESPONSE TO THE REPORT IN PUBLIC INTEREST OCTOBER 2020 – STATUS ALL ACTIONS
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		<p>As detailed in 1B(iv) below, examination of the Croydon Adults Improvement Plan and the Adult Social Care Budget presented to the Scrutiny Health & Social Care Sub-Committee on 26 January 2021 confirmed that budget modelling was agreed in the 2021/22 budget and that service modelling forms part of the Adults Improvement Plan.</p>		
<p>iii) To create a placements board to challenge the Council on current cost of placements, managing demand for new placements and ensuring value for money in procurement of placements</p>	<p>Placements boards have been implemented in the Council to challenge placements and reduce expenditure.</p> <p>Daily challenge panel has been in place since S114 Notice. All spend is then promoted to the Spend Control Panel, as agreed with then S151 Officer.</p> <p>Placements programme is in place with an agreed scope. Funding also agreed for Care Cubed placements tool agreed at ELT on 8 March 21.</p>	<p>The 'Placements and packages of care across Children's and Adult's Social Care 2020/21' presentation dated 19 October 2020, as well as the subsequent 'Placements Programme Work-streams – Systems Processes and Payments' dated 26 November 2020 both detailed that:</p> <p><input type="checkbox"/> A 'Daily Panel – Director / Exec Director to sign off new placements (Res/Nursing)' was actioned and in place. Enquiry clarified that Adult Social Care has a challenge panel at 9am Monday to Friday where cases are presented for approval.</p> <p>The panel consists of the Interim Executive Director (usually) plus a selection of Adult Social Care Heads of Service and a Finance Manager. The case workers have to complete a template which is submitted prior to challenge panel. Each case is reviewed, challenged and a decision on the care is</p>	<p>PUBLISHED COMPLETE</p>	<p>Corporate Director Adult Social Care and Health</p>

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		<p>made, (sometimes this will be for a limited time with a requirement for the case worker to re-present, so it is not always a simple yes or no.) The decisions are recorded each day and a summary circulated at the end of each week.</p> <p><input type="checkbox"/> A 'placements programme' was in place. Review of the 'Placements and contracts Programme' task pages on Teams showing the progress of the various projects also confirmed the programme to be in place and actively being progressed.</p> <p>The 'Overview Of The 2021-22 Adult Social Care Financial Performance' report provided to the Scrutiny Health & Social Care Sub-Committee at the meeting held on 29 June 2021 confirms that, 'A further £0.026m transformation investment was agreed in Feb 21 for the purchase of a tool called Care Cubed. This allows the service to benchmark placements costs with other councils, enabling stronger provider negotiations.' The copy of the Care Cubed contract provided, confirms that, 'iESE will provide Licensee with access to CareCubed for one year from 1st April 2021 and ending on 31st March 2022' with the option to extend this.</p>		
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**APPENDIX 1b - ACTION PLAN IN RESPONSE TO THE REPORT IN PUBLIC INTEREST OCTOBER 2020 – STATUS ALL ACTIONS
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		<p>An update on Care Cubed by the Head Of Innovation And Change further confirmed that:</p> <ul style="list-style-type: none"> <input type="checkbox"/> A series of training was scheduled and had been completed. <input type="checkbox"/> Progress was focussed on testing the tool within the Reviews Progression project team. <input type="checkbox"/> Analysis is due by end of September 2021 on the cases reviewed using Care Cubed. 		
<p>iv) Use the output from the diagnostic review to remodel financial implications to help shape the Medium Term Financial Strategy (MTFS)</p>	<p>Diagnostic review and benchmarking data has been used to shape the Adult Social Care Improvement plan.</p> <p>Croydon Adults Improvement plan has been fully developed and aligned to budget as signed off at March Cabinet. LBC delivery tracker being updated fortnightly.</p>	<p>Documents seen for 1b(i), (ii), (iii) above confirm that diagnostic review and benchmarking data has been used to shape the Adult Social Care Improvement plan.</p> <p>Parts 6 and 7 of the Croydon Adults Improvement plan detail the 'Current budget development' and 'Year one and medium term financial strategy proposals' clearly aligning the Plan to the 2021/22 Budget. Likewise the Adult Social Care Budget presented to the Scrutiny Health & Social Care Sub-Committee on 26 January 2021 summarised that, 'Adult social care continues to be under pressure nationally and locally. The outturn for 2016/17, 2017/18, 2018/19 and 2019/20 demonstrated both an increase in costs and increased use of transformation monies to meet current demand and</p>	<p>PUBLISHED COMPLETE</p>	<p>Interim Director of Finance (Deputy S151)</p>

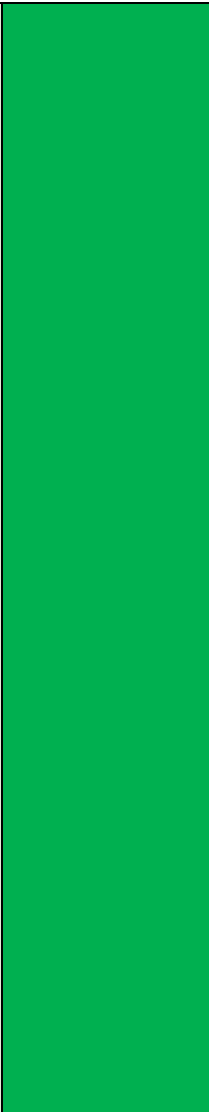
**APPENDIX 1b - ACTION PLAN IN RESPONSE TO THE REPORT IN PUBLIC INTEREST OCTOBER 2020 – STATUS ALL ACTIONS
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		increased complexities. Increasingly we are seeing residents who fund their own care running out of money, often referred to as 'wealth depleters'. A change in the way we deliver social care in order to reduce spend and live within our available resources is underway.'		
v)	<p>Develop a monthly Corporate Finance, Performance and Risk report to progress, track and measure activity. This will include monitoring of the new service delivery model to track progress and challenge effectiveness of the plan.</p>	<p>The June 7th Corporate Finance, performance & Risk report iteration will provide a final set of CRP measures, and targets set to date, as well as a further update on the work streams in place to produce a full set of corporate performance reports by September 2021 Cabinet.</p> <p>The monthly reports will develop over time as recommendations are progressed.</p>	<p>Initially reported to the June 2021 Overview and Scrutiny Committee and Cabinet meetings, the development of the 'Corporate Finance, Performance & Risk' has been an iterative progress. Examination of the 'Corporate Finance, Performance & Risk' reports to the October and November 2021 Cabinet meetings confirmed that full reports had been presented at these meetings.</p> <p>First iteration of report now developed and shared. Updates are scheduled to come to Cabinet monthly.</p>	<p>PUBLISHED COMPLETE</p> <p>Corporate Director Adult Social Care and Health</p>
vi)	<p>Progress will be governed by reporting to the Executive Leadership Team, Cabinet, General Purposes and Audit Committee and Scrutiny & Overview Committee which will bring a greater level of control and transparency. The first report to members will be</p>	<p>The Corporate Finance, Performance and Risk report will provide an update on improvement actions across the Council including HWA's (1b-v).</p> <p>Training will be offered to members on the nature of statutory and non-statutory service (See LBC3 – i)</p> <p>Budget and demand papers have been to Health and Social Care Scrutiny Sub-</p>	<p>Examination of the October 2021 'Corporate Performance and Finance Report confirmed that this included the improvement actions for Health Wellbeing and Adult (HWA). Examination of the Executive Leadership Team (ELT) /Corporate Management Team (CMT) forward planner confirmed that the 'Corporate Finance, Performance and Risk' report</p>	<p>SUBSTANTIALLY COMPLETE</p> <p>Corporate Director Adult Social Care and Health</p>

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<p>accompanied by detail outlining the statutory and non-statutory areas of service and the impact of demand management across the service.</p>	<p>Committee:- Budget proposals 21/22 (Jan 21); Autism Strategy (Mar 21); Overview of 21/22 Adults Budget (May 21); Overview of ASC 21/22 Finance Performance (June 21); Overview of the Transitions Service (Sep 21); ASC budget and savings briefing (Nov 21); and, ASC Budget Deep Dive (Jan 22). The last report specifically focussed on (1) impact of reviews; (2) managing demand; and (3) the ASCH Strategy, which the committee gave broad support to, and noted its role in tracking and requiring progress updates moving forward. The ASCH Strategy was approved at Cabinet on 7th February 2022.</p> <p>To date, there have been no requests to take anything to GPAC, besides from the CareCubed report (placements negotiations tool), which will be presented on 16 February GPAC.</p> <p>S.151 officer commented on the significant progress made and has requested ASC&H take progress to GPAC to allow this task to be marked as complete.</p>	<p>was a monthly agenda item, being reported at the 4th meeting each month. Examination of the October and November 2021 Cabinet meetings minutes confirmed that 'Corporate Finance, Performance & Risk' reports were reported to these meetings. Examination of General Purpose Audit Committee (GPAC) meeting minutes and the 'GPAC Work Programme' established that the 'Corporate Finance, Performance and Risk' report had not been reported to GPAC and was not on the 'Work Programme'.</p> <p>Although reported to the 15 June Overview and Scrutiny Committee, the 'Corporate Finance, Performance & Risk' was not reported to subsequent Committee meetings and was not on the Committee's 'Work Programme'.</p> <p>First iteration of report now developed and shared. Updates are scheduled to come to Cabinet monthly.</p>	<p></p>	<p></p>
<p>vii) Ensure that cost of care tool is used effectively to track all case expenditure to improve financial control, identify areas of focus for further</p>	<p>The Cost of Care tool referred to in has been utilised to help accurately forecast its spend to support budget setting, improve financial management and identify opportunities for further savings.</p>	<p>The '2021/22 Adult Social Care Budget Proposals' report to the Health and Social Care Sub-Committee in January 2021 confirmed that a 'cost of Care' tool had 'been developed to build a zero based adult social care budget and set a</p>	<p>PUBLISHED COMPLETE</p>	<p>Corporate Director Adult Social Care and Health</p>

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<p>improvement and to enable better decision making.</p>	<p>A separate tool called CareCubed is in the process of being acquired. It is a benchmarking tool that allows adult social care to acquire an indicative cost of placing an individual aligned with their assessed care and support needs. This indicative amount is then used to aid contract negotiations with providers.</p> <p>The tool has successfully enabled savings in other Council's and will be tested in Croydon over the next 12 months. Training for staff to use tool is in planning.</p>	<p>baseline for current activity and cost from which then to reduce to bring in line with the average level of spending in London or England as appropriate.' The 'Overview Of The 2021-22 Adult Social Care Financial Performance' report provided to the Scrutiny Health & Social Care Sub-Committee at the meeting held on 29 June 2021 confirms that, 'A further £0.026m transformation investment was agreed in Feb 21 for the purchase of a tool called Care Cubed. This allows the service to benchmark placements costs with other councils, enabling stronger provider negotiations.' The copy of the Care Cubed contract provided, confirms that, 'iESE will provide Licensee with access to CareCubed for one year from 1st April 2021 and ending on 31st March 2022' with the option to extend this. As evidenced by the Care Cubed Implementation Plan, the CareCubed tool was implemented as of 18th June 2021. A training plan for use of the tool has been established and distributed to social workers and brokerage staff. Examination of the CareCubed Project Board Meeting Report, dated 17th November 2021, demonstrated that outcomes from the testing of the CareCubed tool were being reported.</p>		
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<p>viii) Training to be provided to members to understand the budget for Adult Social Care and share rationale for persistent overspend in service. Training to also inform members on the complex health and care landscape in the borough.</p>	<p>A Training offer has been developed for all members including where appropriate, specific training for committee members. This was approved by the Members Learning & Development Panel on July 13th 2021. It has been aligned with the actions in the RIPI action plan to ensure all aspects covered.</p> <p>Training on the Adult Social Care Budget was completed via a briefing to members of the Health & Social Care Sub-committee in June 2021.</p> <p>Training for members will continue to be offered on annual basis as BAU. Consideration will be taken in the future about how and when best to inform on matters relevant to ASC.</p>		<p>PUBLISHED COMPLETE</p>	<p>Interim Corporate Director of Resources (Section 151)</p>
<p>ix) Data set used to inform progress report to be collated, updated and shared with GPAC to allow members to monitor progress on managing demand within social care</p>	<p>A finance and performance work-stream has been established and meets fortnightly. The key objectives for this work-stream are to ensure dashboards are developed to enable the senior management team to track activity against the benchmarking forecasts set out in the adults improvement plan; and against the move towards both London (younger adults) and England (older adults) averages.</p> <p>Bettergov have been commissioned to help finalise dashboard and benchmarking modelling. 2 dashboards are to be utilised one focused on activity</p>	<p>It was confirmed that a Finance, Performance and Risk report has been developed to inform on the progress of Services against identified measures. The report is provided to the CMT monthly. It is also provided to Cabinet monthly but is expected to be received by Cabinet on a bi-monthly basis from January 2022.</p> <p>However, as detailed in previous actions, this has not been provided to the General Purpose and Audit Committee (GPAC). – Not been requested by GPAC (agenda set by GPAC. Care Cubed to GPAC on 16th.</p>	<p>SUBSTANTIALLY COMPLETE</p>	<p>Corporate Director Adult Social Care and Health</p>

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	<p>which is complete and another on finances which is in development.</p> <p>The MTFS tracker is currently updated weekly.</p> <p>The Corporate Finance, Performance and Risk report draws upon this data and provides GPAC with the relevant information per this action.</p> <p>To date, there have been no adults only Finance, Performance and Risk requests to take anything to GPAC, Directorate understanding is that GPAC sets its own agenda and invites reporting; and that the Corporate KPIs report that ASCH contributes to, is what has been taken to GPAC.</p> <p>The CareCubed report (placements negotiations tool), will be presented on 16 February GPAC following a request in December 2021.</p> <p>S.151 officer commented on the significant progress made and has requested ASC&H take progress to GPAC to allow this task to be marked as complete.</p>			
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Recommendation 2 – HIGH PRIORITY				
The Council (including Cabinet and Scrutiny and Overview Committee) should challenge the adequacy of the reserves assessment which should include a risk assessment before approving the budget.				
Cabinet Member Accountability: Councillor King, Cabinet Member for Croydon Renewal				
Action	Officer comment	Summary of Internal Audit work	Status	Officer accountability
i) Develop a reserves strategy as part of the Medium Term Financial Strategy (MTFS) and present it for approval with the Budget reports to Cabinet and Full Council. This needs to incorporate a clear assessment of risks and liabilities that demonstrate all current and future exposure has been thought through and factored into the recommendations. Strategy to map the financial governance process around agreeing additions to reserves to be included to reduce risk of duplication and that there were no gaps in approach.	<p>The MTFS and 21/22 Budget agreed on 8th March contains a clear strategy for growing the reserves base up to a level which by 23/24 would give a general fund reserve in excess of £60 million.</p> <p>The challenge to the adequacy of the reserve position should be done annually when budgets are set for the forthcoming year. This Council's position to the reserves has been provided as separate section within the Council's Budget Report for 2022/23 and the Council's officers and Cabinet Members were challenged during the General Purposes and Audit Committee.</p> <p>It is best that this requirement now moves into the Council's risk register as a standing item and that it is an agenda item for Scrutiny and GPAC to ensure this is tested on an annual basis when future budget setting reports are presented.</p>	<p>Examination of the 'Budget Report 2021/22' presented to Cabinet on 8 March 2021 confirmed plans that '£20m is being earmarked as part of the 20/21 planned capitalisation directive for contribution to the General Balance. With a further increase of £10m 21/22.' (i.e. to increase reserves by £50m).</p> <p>The updated MTFS presented to Cabinet 12 July 2021 confirmed that, 'Part of the approved capitalisation direction request in 2020/21 contained provision to bolster general reserves by a further £15.0m in order to provide sufficient resilience to meet future risks and challenges. The 2021/22 base budget has £10m of contributions to reserves and the MTFS provides for a further £5m of reserves contribution in 2022/23 and a further £5m in 2023/24. This will result in a total of additional £45m in reserves by the end of 2023/24 which should leave a General Fund Reserve balance of £72.5m.'</p>	PUBLISHED COMPLETE	Interim Director of Finance (Deputy S151)

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<p>ii) In considering future budget reports, Cabinet will assure itself that all risks and liabilities have been properly considered by requesting that the Scrutiny & Overview Committee and the General Purposes and Audit Committee review the adequacy of the strategy and its relationship to the MTFs prior to Cabinet taking a decision.</p>	<p>From April 2021 Financial Monitoring reports will be provided to Cabinet on a monthly basis to ensure Members have increased oversight on any emerging pressures or movements.</p> <p>The 21/22 Budget was reported to Scrutiny on 16th February 2021 and comments were verbally reported to cabinet on 8th March 2021.</p> <p>Future year's timescales will need to include time for both this and reference to GPAC and Scrutiny</p>	<p>It was confirmed that 'Financial Monitoring' reports were provided to Cabinet from April 2021, with the:</p> <ul style="list-style-type: none"> <input type="checkbox"/> 'Financial Performance Report – Period 11' report provided on 4 May 2021, <input type="checkbox"/> 'Financial Performance Report – Month 1' on 7 June 2021, <input type="checkbox"/> 'Financial Performance Report – Outturn 2020/21' on 12 July 2021, <input type="checkbox"/> 'Financial Performance Report – Month 2' on 26 July, and the <input type="checkbox"/> 'Financial Performance Report – Month 3' scheduled for the meeting to be held on 13 September 2021. <p>Examination of the Scrutiny Committee minutes of the meeting held on 16 February 2021 confirmed that the draft 2021/22 budget was reported to this meeting. Examination of the 'Budget Report 2021/22' presented to Cabinet on 8 March 2021 confirmed that item 21 reported that the 21/22 draft budget had been reported to the Scrutiny Committee. Dates for Scrutiny and GPAC are on the Corporate Forward Plan for the 2023/23 Draft Budget.</p>	<p align="center">PUBLISHED COMPLETE</p>	<p>Interim Director of Finance (Deputy S151)</p>
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<p>iii) Training to be delivered to relevant members to raise understanding of reserves</p>	<p>The Local Government Association delivered training to Scrutiny and Overview Committee on 27th October 2021 and to General Purposes and Audit Committee on 22 November 2021.</p> <p>The training offer will be refreshed annually and continually offered to members as BAU going forward. A member induction programme planned for May 2022 will be informed by the RIPI recommendations.</p>		<p>PUBLISHED COMPLETE</p>	<p>Interim Corporate Director of Resources (Section 151)</p>
<p>iv) Council to identify the most appropriate mechanism for the Scrutiny & Overview Committee to monitor and assess progress made against delivering the budget throughout the year. As a part of this any update would need to provide reassurance that effective budget controls are in place to mitigate against potential pressures.</p> <p>Furthermore, the Council is to consider approach to providing reassurance to Members that effective budget controls were in place to mitigate against potential risks to the delivery of the budget</p>	<p>Monthly reports are taken to Cabinet and to Scrutiny and Overview Committee. Officers will continue to take monthly in year financial reporting monitor to each meeting of Scrutiny and Overview Committee.</p>		<p>PUBLISHED COMPLETE</p>	<p>Interim Director of Finance (Deputy S151)</p>

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Recommendation 3 – HIGH PRIORITY

The Chief Executive should oversee a review of the outcomes achieved from the use of transformation funding to demonstrate that the funding has been applied in accordance with the aim of the scheme.

Cabinet Member Accountability: Councillor King, Cabinet Member for Croydon Renewal

Action	Officer comment	Summary of Internal Audit work	Status	Officer accountability
i) A review of all schemes previously funded from transformation capital receipts be undertaken and a report produced that assesses whether the funding has been applied in accordance with the scheme.	<p>This work is completed following discussions with the external auditor.</p> <p>Grant Thorntons external audit update report which refers to transformation monies in 19/20, went to GPAC in October 2021.</p> <p>An update will be made to GPAC as part of the report on the 2019/20 accounts.</p>	This action has not been reported publicly and nor has Internal Audit been provided with evidence of this being completed.	IN-PROGRESS	Interim Director of Finance (Deputy S151)
ii) Training to be delivered to relevant members on transformation funding to raise understanding.	<p>Training on transformation funding is covered in the overall training referenced in recommendation 2(iii)</p> <p>The Medium Term Financial Strategy (MTFS) reporting / February 22 included a section on transformation funding to ensure members have a full understanding.</p> <p>Informal briefings have been held with members.</p>		IN-PROGRESS	Interim Director of Finance (Deputy S151)

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	There will be training in May for new members.			
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Recommendation 4
The s151 officer should set out the strategy for applying capital receipts for transformation annually as part of the budget setting process.

Cabinet Member Accountability: Councillor King, Cabinet Member for Croydon Renewal

Action	Officer comment	Summary of Internal Audit work	Status	Officer accountability
i) A strategy for funding transformation to be incorporated into the budget setting process using the current Ministry of Housing, Communities and Local Government (MHCLG) Flexible Use of Capital Receipts Scheme.	Following extension of the Flexible Use of capital receipts scheme. Proposals for the use of up to £5 million of capital receipts, subject to availability of receipts will be drafted and agreed by ELT. This should be received in w/c 7 th June. Incorporated into budget setting going forward.	The 'Transformation Funding Strategy & 2021/22 Usage' report to full Council on 5th July 2021 detailed that, 'The Council's MTFs assumed up to £5 million of capital receipts could be utilised for transformation funding. The Council's strategy for use of flexible capital receipts is to ensure that such use remains affordable to the revenue account, taking into account the opportunity cost of otherwise funding the capital programme; ensuring such usage conforms to the requirements set out in the regulations; and delivers a positive and rapid rate of return in the level of savings delivered.' Examination of the report established that a total of 12 proposals were included.	PUBLISHED COMPLETE	Interim Director of Finance (Deputy S151)

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<p>ii) In the absence of any national capital receipts for transformation scheme, the strategy for funding transformation will set out how future schemes will be funded using invest to save principles using rolling investment that is set aside and supported by business cases that demonstrate return. Any business case will have to demonstrate governance of the programme to assure the section 151 officer and Cabinet that the deliverables are being met.</p> <p>All schemes approved for funding under this strategy will be assessed individually and against the overarching risk exposure and affordability for the Council.</p>	<p>See 4i above.</p>	<p>See (4) i above. The ‘Transformation Funding Strategy & 2021/22 Usage’ report to full Council on 5th July 2021 required that full Council: ‘1.2 Approve the strategy as outlined in Section 3 to use capital receipts to support the delivery of ongoing savings where such proposals meet the requirements of the Flexible Capital Receipts Regulations, deliver positive payback, and are affordable; 1.3 Approve the specific list of transformation funding schemes as set out in the body of this report and summarised in Table 1; each proposed scheme be individually approved.’</p>	<p>PUBLISHED COMPLETE</p>	<p>Interim Director of Finance (Deputy S151)</p>
<p>iii) There will be an annual report to the Scrutiny & Overview Committee and GPAC on the use of transformation funding and the delivery of schemes.</p>	<p>A report was taken to Council in July 21 detailing a list of transformation projects with intended savings to the Council. The July 2021 Council paper indicated that the Council’s capital receipts may be used to fund the Transformation schemes, as allowed under the Flexible Use of Capital Receipts legislation.</p>		<p>COMPLETE Q4</p>	<p>Interim Corporate Director of Resources (Section 151)</p>

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<p>A corporate strategy needs to be developed to assess future transformation projects prior to funding. This should include a requirement to identify the intended outcomes, risk exposure, ongoing affordability, how success will be measured, how progress will be tracked, and any interdependencies with other projects and any wider benefits.</p>	<p>Based on the capital receipts the Council will receive in 21/22 further bids for transformation funding is being considered and information gathered to test the need for this funding to deliver further savings. Capital Direction information is going in Budget report which is being taking to Scrutiny between despatch to Cabinet and the actual meeting.</p> <p>An established process is now in place for transformation funding to be considered, approved and reviewed. The finance team will continue to provide annual reports in this basis.</p> <p>The Transformation Funding proposals for 2022/23 will be a section in the MTFs report that will go to GPAC on the 16th Feb. [check]</p> <p>Transformation funding used in 2021/22 will be part of the closure of accounts report in the summer.</p> <p>Report will be done on an annual basis with the first one due in June 2022.</p> <p>Report needs to be taken back to Scrutiny and GPAC in July 2022.</p>			
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Recommendation 5
The General Purposes and Audit Committee should receive reports on the actions being taken to address the Dedicated Schools Grant deficit and challenge whether sufficient progress is being made.

Cabinet Member Accountability: Councillor Flemming, Cabinet Member for Children, Young People and Learning

Action	Officer comment	Summary of Internal Audit work	Status	Officer accountability
i) The Dedicated Schools Grant recovery plan should be presented to General Purposes and Audit Committee and Scrutiny and Overview Committee for review and agreement to ensure that it is adequate to meet objectives and timelines that have been set.	Reviewed at GPAC 4 March 2021	The minutes of the General Purposes and Audit Committee meeting held on 4 March 2021 are not yet available. Examination of the agenda for the meeting confirms that item 6 was a paper on the 'Dedicated Schools Grant', but that this was an item for the Committee to 'Note' and not to agree or to challenge. However, the 'podcast' of the meeting clearly evidences that members sought clarification and challenged this item	PUBLISHED COMPLETE	Director of Education
ii) Special Educational Needs Finance Board to be established and chaired by the interim Director of Education to oversee the delivery of the Dedicated Schools Grant recovery plan.	Initial meetings held with further meetings to be scheduled to update on the progress of the DSG recovery plan.	Examination of the 'SEND Finance Board: Terms of Reference' confirms that the objectives of the Board includes to, 'Ensure that milestones in relation to the SEND DfE recovery plan and management plan are being met through regular monitoring of this.' Examination of the Executive Director of Children, Families and Education's Outlook calendar confirmed that the SEND Finance Board met on 19 July 2021, with monthly meetings being	PUBLISHED COMPLETE	Director of Education

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		diarised until the end of the calendar year.		
iii) Training to be provided to members to ensure the committee possess a working understand of education funding and budgets	DSG training has been delivered to members of Scrutiny Committee, Labour Group and Conservative Group	<p>E A copy of the PowerPoint slides 'Dedicated Schools Grant (DSG) funding for Croydon' has been provided. The Chair of the Children's & Young People SubCommittee confirmed that they had a briefing at 2pm on 12 January 2021.</p> <p>As noted in LBC Rec. 3 (ii) below, the 'Member Learning and Development Needs 2021-22' includes 'Education Funding and Budgets' which was 'Delivered to CYP Scrutiny and members of both Cons and Lab Groups' in January 2021.</p>	PUBLISHED COMPLETE	Director of Education

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<p>IV) Implement the 'New Approach to Special Educational Needs delivery' strategy working with schools to ensure that more of our Special Educational Needs pupils are educated in mainstream provision to include:</p> <ul style="list-style-type: none"> • Developing more capacity within the post-16 provision • Opening of new Special Educational Needs free schools 	<p>Project widened to include further two locality areas.</p> <p>Model being incorporated into SEND Governance Model</p> <p>Further modelling on this being a borough wide model is and will always be in progress.</p>		<p align="center">IN- PROGRESS</p>	<p>Director of Education</p>
<p>v) Progress against the recovery plan to be included in the monthly budget monitoring report to Children's, Families and Education Department Leadership Team, the Executive Leadership Team, the Children's Improvement Board and the quarterly Cabinet, General Purposes and Audit Committee and Scrutiny & Overview Committee which will bring</p>	<p>Progress update included in the monthly budget monitoring to Education SLT and CFE DLT.</p>	<p>Examination of the '2021-22 -P02 CFE Directorate' spreadsheet confirms that monthly budget monitoring occurs. This includes the Dedicated Schools Grant (DSG), High Needs and Education Monitoring, where the financial position is recorded alongside an explanation of items such as anticipated overspend, financial pressures and underspends. Examination of the meeting minutes dated 19th May 2021 confirmed that the budget position was being reported to the High Needs Working Group. It was also confirmed that the meeting in July involved a review of the Quarter 2</p>	<p align="center">PUBLISHED COMPLETE</p>	<p>Interim Corporate Director, Children Families and Education</p>

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<p>a greater level of control and transparency.</p>		<p>outturn, but the minutes of this meeting were not yet available.</p> <p>Examination of the Cabinet meeting minutes since March 2021 did not identify any specific presentations on the DSG recovery plan, although regular 'financial performance reports' were provided.</p> <p>Examination of the meeting minutes of the General Purposes and Audit Committee confirmed that an update on the DSG recovery plan was presented to the 4 March and 25 November 2021 meetings. A further update was also noted to be scheduled for the January 2022 meeting.</p> <p>Examination of the Children & Young People Sub-Committee minutes since March 2021 did not identify any specific presentations on the DSG recovery plan, although regular 'Service Impact and Budget update' reports were provided.</p>		
<p>vi) Progress on Dedicated Schools Grant recovery plan to be reported to the Schools' Forum on a termly basis</p>	<p>Included in the forward plan of agenda items for Schools' Forum</p>	<p>Examination of the minutes of Schools' Forum meetings held in 2020/21 confirmed that Dedicated Schools Grant (DSG) Recovery Plan was presented to the meeting held on 26 April 2021 and examination of the forward plan (appended to the minutes of the meeting held on 8 November 2021) for the</p>	<p>PUBLISHED COMPLETE</p>	<p>Interim Head of Finance, Children, Families and Education</p>

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		schools forum noted that this is next due to be presented at the meeting to be held on 6 December 2021, 17 January 2022 and 7 March 2022.	
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Recommendation 6

The Executive Director Children, Families and Education needs to review the services provided to UASC and to identify options to meet their needs within the grant funding provided by the Home Office.

Cabinet Member Accountability: Councillor Flemming, Cabinet Member for Children, Young People and Learning

Action	Officer comment	Summary of Internal Audit work	Status	Officer accountability
i) Complete a forensic review of grant income against the total expenditure for unaccompanied asylum seeking children and care leavers over the past 3 years, including the co-ordination of pan-London arrangements	Review completed and is informing Council's approach to UASC support offer.	The forensic review was undertaken by the Executive Director of Children, Families and Education, and the Interim Head of Quality Improvement for that department, with modelling by the Independent Financial Adviser commissioned by the DfE (refer to 1a(vi) above). This included both unaccompanied asylum seeking children and care leavers. The subsequent report to Cabinet on 7 June 2021 also confirms that detailed modelling took place for unaccompanied asylum seeking children.	PUBLISHED COMPLETE	Interim Head of Finance, Children, Families and Education
ii) Negotiate with the Home Office and Department for Education to secure the	Confirmation of grant funding of £2.35 million received from the Home Office and DfE at the end of August for the current		COMPLETE Q4	Interim Corporate Director,

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<p>same financial support provided to other port of entry authorities such as Kent and Portsmouth to cover the exceptional overhead costs caused by the volume of unaccompanied asylum seeking children received in the Borough.</p> <ul style="list-style-type: none"> • Full cost recovery for exceptional overheads provided by Croydon such as age assessments, the social care duty service at Lunar House and legal fees. Due to volumes in the Borough from its port of entry position, these cannot be absorbed within normal overhead cost as per all other local authorities. • Increased funding for children cared for over and above the voluntary national rate to match the funding of Croydon’s children in care. 	<p>financial year in recognition of the exceptional additional costs to Croydon.</p> <p>Further representations planned to address the projected shortfall in 2022/23 and 2023/24.</p> <p>A report went to cabinet in June 2021 and a further report is going to cabinet on 21 February 2022.</p> <p>This now sits inside normal service planning as part of BAU.</p>			<p>Children Families and Education</p>
<p>iii) Work with London local authorities to safely transfer responsibility for an agreed number of children in</p>	<p>Since the previous quarter update there have been no further transfers of children placed out of borough agreed.</p>		<p>PUBLISHED COMPLETE</p>	<p>Interim Corporate Director, Children</p>

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Croydon's care to reduce disproportionate burden on Croydon.	24 have been confirmed and work is underway between Croydon and the relevant boroughs to complete the transfers.			Families and Education
iv) Introduce a needs based approach to withdrawing services to young people whose appeal rights are exhausted alongside earlier, robust triple planning as part of their pathway at 16 plus. This will assist and support a planned, safe voluntary return when all legal routes to remain have been exhausted and avoid a forced detention and removal when young people have no recourse to public funds, limited access to NHS and education and cannot work legally in UK.	A planned programme of Human Rights Assessments (HRAs) to inform the decision to safely withdraw services is underway. There are currently 15 young people whose appeal rights are exhausted. All will have an HRA by mid-August.		PUBLISHED COMPLETE	Director Early Help and Children's Social Care

Recommendation 7

The Executive Director Children, Families and Education needs to identify the capacity threshold for the numbers of UASC that it has the capacity to deliver safe UASC services to.

Cabinet Member Accountability: Councillor Flemming, Cabinet Member for Children, Young People and Learning

Action	Officer comment	Summary of Internal Audit work	Status	Officer accountability
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<p>i) Draw on the analysis and review at 6 (i) to develop options to establish a capacity threshold for Croydon for unaccompanied asylum seeking children that is commensurate with other Local Authorities and in line with the nationally agreed standards and funding.</p>	<p>The voluntary national rate is the equivalent of 0.07% of the child population. In Croydon that equates to 66 children. This underpins the forensic review and modelling completed in 6i</p>	<p>The report to Cabinet on 7 June 2021 explains that if the Borough no longer accepts new unaccompanied asylum-seeking children into care, then the number of such children under 18 in the Borough will fall to 66 by 2023/24.</p> <p>The report also acknowledges that this will not substantially reduce the number of asylum seeking care leavers in the Council's care over that same period.</p>	<p>PUBLISHED COMPLETE</p>	<p>Interim Corporate Director, Children Families and Education</p>
<p>ii) Present options for the Council to deliver safe services within the capacity threshold to the Children's Improvement Board, Cabinet and General Purposes and Audit Committee and Scrutiny & Overview Committee to increase levels of control and improve transparency.</p>	<p>A Cabinet paper on the Council's approach to caring for UASC will be presented on June 7th 2021.</p> <p>More substantive comment required from officer.</p>	<p>Correspondence with the Executive Officer for Children, Families and Education confirmed that the Council's approach to caring for UASC were presented to Cabinet on June 7th 2021. Examination of the report presented confirmed that this detailed the options for the Council to deliver safe services to UASC within the capacity threshold and confirms that the capacity threshold for numbers of UASC is 66 but that Croydon was caring for 205 UASCs. The report further detailed that if the Council were to accept no new UASCs for two years whilst reducing 40 current UASCs, the number of UASC would be within capacity threshold by 2023/24. It was identified that this would result in a budget shortfall of £13m over the next three years.</p> <p>An 'Accompanied Asylum Seeking Children Update' was subsequently</p>	<p>SUBSTANTIALLY COMPLETE</p>	<p>Interim Corporate Director, Children Families and Education</p>

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		<p>provided to the 13 September 2021 Cabinet meeting.</p> <p>A paper 'Update on support for Asylum Seekers in Croydon' was presented to the 17 November 2021 Croydon Children's Continuous Improvement Board.</p> <p>No papers on UASC were noted as being presented to the Overview and Scrutiny Committee or the Children & Young People Sub-Committee during 2021.</p> <p>Although a presentation on UASC and the corresponding risk register entry was made in February 2021, no papers on UASC were noted as being presented to the General Purposes and Audit Committee during 2021.</p>		
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Recommendation 8

The Cabinet reports on the financial position need to improve the transparency of reporting of any remedial action taken to address in year overspends.

Cabinet Member Accountability: Councillor Young, Cabinet Member for Resources and Financial Governance and Councillor King, Cabinet Member for Croydon Renewal

Action	Officer comment		Status	Officer accountability
i) A review of financial reporting best practice is to be undertaken and the results used to design reports and a system of reporting that will improve	A process for monthly reporting is being developed with the period 1 report to come to Cabinet June 7 th 2021. These reports will develop iteratively over the coming months.	The 'Croydon Renewal and Improvement Plan - Performance Reporting Framework & Measures; report initially on 12th April 2021 and then the subsequent updates to Cabinet	PUBLISHED COMPLETE	Interim Director of Finance (Deputy S151)

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<p>its approach to managing finance, performance and risk to introduce a greater level of transparency and better grip of expenditure. All departments will be required to report against their budgets to the Departmental and Executive Leadership Teams on a monthly basis.</p>	<p>See recommendation 8 – ii for further information on performance monitoring.</p>	<p>on 7th June and 26 July 2021 provided, ‘an update on the implementation of the Council’s Corporate Performance Action Plan and development of the associated performance reports as agreed at Cabinet on the 12 April 2021. The performance, finance and risk report (appendix A) will improve the corporate performance offer by providing timely and accurate performance data on programme / project status, performance against Corporate Renewal Plan KPI’s, and progress against the delivery of financial savings.’ It is noted that the development of the report is an iterative process, with a report detailing the four areas of programmes, finance and risk expected to become available in September 2021. This was in addition to the regular ‘Financial Performance Report’ being provided to Cabinet.</p>	<p>PUBLISHED COMPLETE</p>	<p>Chief Executive</p>
<p>ii) The Council will develop a new corporate framework for monthly reporting that includes finance, performance and risk. This will report to the Executive Leadership Team, Cabinet, General Purposes and Audit Committee and</p>	<p>The Council has developed a new Corporate framework to deliver monthly Corporate Finance, Performance and Risk update reports. These monitor implementation of improvement actions across the Council (including those contained in the RIPI and as part of the CRP) and set out KPIs and accountable officers.</p>	<p>Examination of the Executive Leadership Team (ELT) /Corporate Management Team (CMT) forward planner confirmed that the ‘Corporate Finance, Performance and Risk’ report was a monthly agenda item, being reported at the 4th meeting each month.</p>		

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<p>Scrutiny and Overview Committee as appropriate.</p> <p>The new framework will include progress against service delivery, departmental actions plans, savings opportunities and actions contained within the Croydon Renewal Plan. All actions will be assigned to accountable people (including relevant cabinet member) and will be tracked through a central reporting team to ensure that the process is joined up, consistent and timely. This will be a recognised Programme Management Office function using savings and actions trackers</p>	<p>The PMO presented an approach to monthly Corporate, Finance, Performance Risk Reporting to Cabinet on April 12th.</p> <p>The June 7th Corporate Finance, performance & Risk report iteration will provide a final set of CRP measures, and targets set to date, as well as a further update on the work streams in place to produce a full set of corporate performance reports by September 2021 Cabinet.</p> <p>The monthly reports will develop over time as recommendations are progressed.</p>	<p>In addition to the updates to the 12th April, 7th June and 26 July 2021 Cabinet meetings, 'Corporate Finance, Performance & Risk' reports were confirmed to be reported to the October and November 2021 Cabinet meetings.</p> <p>First iteration of report now developed and shared. Updates are scheduled to come to Cabinet monthly.</p>	<p style="background-color: #00b050; color: white; text-align: center;">PUBLISHED COMPLETE</p>	
<p>iii) A review of the capacity within the Finance Team to ensure there is adequate support for departmental cost centre managers to fulfil their responsibilities as budget holders.</p>	<p>Additional capacity provided through £1m budget increase approved in March budget – currently funding extra capacity using agency staff</p> <p>Role of Executive Director has been advertised and is now closed</p> <p>Restructure proposals being put together for consultation for January advertising campaign</p>		<p style="background-color: #00b050; color: white; text-align: center;">PUBLISHED COMPLETE</p>	<p>Interim Director of Finance (Deputy S151)</p>

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Recommendation 9 – HIGH PRIORITY
The Council (including Cabinet and Scrutiny and Overview Committee) need to show greater rigor in challenging underlying assumptions before approving the budget including understanding the track record of savings delivery.

Cabinet Member Accountability: Councillor King, Cabinet Member for Croydon Renewal/ Callton Young, Cabinet Member for Resources and Financial Governance

Action	Officer comment	Summary of Internal Audit work	Status	Officer accountability
i) To support the Annual Budget setting process Budget Development Meetings will be held for each department and will be attended by Executive Directors, Corporate Leadership Team and Members with accountability for their service area and staff who are responsible for service delivery that understand what impact growth and savings plans will have on the services. To support this process Members will be provided with a clear set of proposals that demonstrate cost pressures (growth) and savings opportunities with narrative and comparators	<p>Proposals were provided to members with a formal decision in November Cabinet. Saving opportunities for 21/22 were set out across all services and have been incorporated into delivery of Croydon Renewal Plan.</p> <p>The Council recognises further savings will be necessary to achieve a sustainable budget in the long term. Discussions for further savings next year will be scheduled starting from April 2021.</p>	<p>Item 87/20b to the Cabinet meeting held on 25 November 2021 was to:</p> <ul style="list-style-type: none"> □ ‘Consider the additional in-year savings for 2020/21 that will be presented to the extraordinary meeting of Full Council on 1 December 2020 to respond to the S.114 notice. □ Consider and recommend to Full Council the savings proposals for consultation as set out in this report for the Medium Term Financial Strategy and 2021/24 and note that consultation will begin on 9 December 2020.’ Appendix B of the paper, the ‘Schedule of Proposals for Savings & Investment in 2021/22’ provided narrative explaining each savings proposal. <p>The MTFS update report to the Cabinet meeting on 12 July 2021 detailed that, ‘Further detailed work around Budget</p>	<p align="center">PUBLISHED COMPLETE</p>	<p>Interim Director of Finance (Deputy S151)</p>

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<p>on budget and outcomes delivered to describe the impact of the decisions that are required to be taken.</p>		<p>Development is ongoing within the Council and it is too early at this stage to reflect any specific details as such plans have not been fully validated. It was also confirmed that a 'Budget Development Group' had been set up, with updates on the work of the Group being provided to the ELT meetings held on 4 and 10 August 2021.</p>		
<p>ii) To support the budget exercise the Council will seek external support to test the draft budget proposals, seek ideas and good practice and will take the same approach by seeking support for the scrutiny process.</p>	<p>Various support from external sources has been utilised to date to offer capacity and advice. This includes the LGA, Centre for Governance and Scrutiny, Council peers and CIPFA. The Council will continue to use such opportunities moving forward.</p>	<p>It is evident that the Council has received support and advice from a variety of external sources, including the LGA, the MCHLG and CIPFA, leading up to and subsequent to the S114 notice being issued in 2020. This has also included temporary appointment of experts, such as Financial Consultants, the Governance Improvement Adviser and the Improvement Plan Support Officer, each of whom also have networks to draw from.</p> <p>An example would be, as detailed in 1A(iv) above, the appointment of a DfE advisor, who commenced their 'role on 22 February 2021 on a 9 month contract month contract to look at improvements and transformation within Croydon's Children's Services Finance'. Another example would be that each of the ELT Away Day Cost Comparison exercises in January 2021 clearly drew on MCHLG data to help benchmark costs.</p>	<p>PUBLISHED COMPLETE</p>	<p>Interim Corporate Director of Resources (Section 151)</p>

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<p>iii) Develop a budget savings tracker that profiles savings by month to enable Members to track that savings are on target. This will need to correlate with the finance, performance and risk reporting that Council will introduce.</p>	<p>An in year savings tracker has been developed to monitor identified savings and escalate any delivery challenges. In year savings are rag rated based on confidence in delivery.</p>	<p>It was confirmed that a 'LBC Delivery Tracker' Power BI tool has been internally developed by the Council to monitor each of the agreed savings. Screen prints from the tool demonstrate that monthly progress is detailed for each saving, along with a RAG rating on progress and likelihood of achievement. It was also confirmed that 'Financial Monitoring' reports were provided to Cabinet for months 1 and 2 of 2021/22, which provided a summary of Extract from April 2021 update report Summary of Internal Audit work – Evidence Ref Recommendation Action Progress made to date Updated obtained and seen Deadline the 'MTFS Savings risk' (i.e. the savings at risk for each month).</p>	<p>PUBLISHED COMPLETE</p>	<p>Interim Director of Finance (Deputy S151)</p>
<p>iv) To increase understanding of the choices Cabinet Members are making with regards to the emerging budget and to effectively challenge budget assumptions, Scrutiny and Overview Committee Members to receive regular briefings on the progress of budget setting.</p>	<p>Budget Discussions were conducted across January and February 2021. This included focused discussion on the 21/22 budget for specific directorates. Discussion took place at Children and Young People Sub-Committee, Health & Social Care Sub-Committee, at Scrutiny, Streets, Environment & Homes sub-committee and finally the Scrutiny & Overview Committee.</p> <p>The Council will continue to brief Scrutiny committees on budget matters. Work is ongoing to further develop the process for budget scrutiny with conversations ongoing with Scrutiny Chairs. A date is</p>	<p>Discussion confirmed that budget discussions were held. Information obtained in support of 1b(ii) above helped substantiate this, for example the 'Health, Wellbeing and Adults Budget Development Session' dated 1 October 2020 and the 'ACS Budget Workshop' in November 2021. It was confirmed that budget reports were taken to the :</p> <ul style="list-style-type: none"> <input type="checkbox"/> The Scrutiny Children & Young People SubCommittee meeting held on 19 January 2021 <input type="checkbox"/> The Scrutiny Streets, Environment & Homes Sub-Committee meeting held on 2 February 2021 	<p>PUBLISHED COMPLETE</p>	<p>Interim Director of Finance (Deputy S151)</p>

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	<p>held in the Forward Plan to ensure SOC has the chance to challenge the proposed budget for 2022/23.</p>	<p><input type="checkbox"/> The Scrutiny and Overview Committee meeting held on 16 February 2021</p> <p><input type="checkbox"/> The Scrutiny Health & Social Care SubCommittee meeting held on 26 January 2021</p> <p>The Council's Forward Plan includes an item for 'Budget Scrutiny, including questions to the Leader and Cabinet Members' for the Scrutiny and Overview Committee in February 2022.</p>		
<p>v) To review the budget setting-timetable to ensure that the Scrutiny & Overview Committee has the time to digest and review the budget proposals and underlying assumptions and for Cabinet to respond fully to any challenge or comments and for Cabinet to be able to consider changing its proposals.</p>	<p>The Council is taking action to ensure budget discussions happen at an earlier date and more opportunities are offered to members to offer input into the budget and review its management. These actions include finalisation of Council meetings forward plan up until April 2022 with dates marked for policy discussions and monthly financial performance updates at Cabinet.</p> <p>Additionally, budget developments meetings will begin in Spring 2021 as opposed to Autumn meaning savings will be identified and shared with members earlier in year. An MTFS update is scheduled for Cabinet in October.</p> <p>The Council will continue to brief Scrutiny committees on budget matters. Work is ongoing to further develop the process for budget scrutiny with conversations</p>	<p>The copy of the forward plan provided is up to the 31 March 2022 and includes monthly financial performance updates at Cabinet as well as dates for budget review and approval in January and February 2022.</p> <p>As noted in LBC Rec. 3 (ii) below, the 'Member Learning and Development Needs 2021-22' includes:</p> <p>1) 'Series of Finance Training' of which Treasury Management was delivered in March 2021, with sessions on 'Financial management /Budget setting', 'Financial Strategy and Monitoring', 'Commercial Investment', Council's funding sources / reserves', 'Transformation funding' and 'Commissioning and Procurement being planned.</p> <p>2) 'Education Funding and Budgets' which was 'Delivered to CYP Scrutiny</p>	<p>PUBLISHED COMPLETE</p>	<p>Interim Director of Finance (Deputy S151)</p>

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	<p>ongoing with Scrutiny Chairs. A date is held in the Forward Plan to ensure SOC has the chance to challenge the proposed budget for 2022/23.</p>	<p>and members of both Cons and Lab Groups' in January 2021.</p> <p>3) Adult Social Care Budget' which was a 'Briefing held for members of the Health and Social Care Sub-Committee' in June 2021.</p> <p>The MTFS update report to the Cabinet meeting on 12 July 2021 detailed that, 'Further detailed work around Budget Development is ongoing within the Council and it is too early at this stage to reflect any specific details as such plans have not been fully validated.' It was also confirmed that a 'Budget Development Group' had been set up, with updates on the work of the Group being provided to the ELT meetings held on 4 and 10 August 2021.</p>		
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Recommendation 10

The General Purposes and Audit Committee must challenge officers on the progress in implementing the Financial Consultant's recommendations to improve the budget setting, monitoring and reporting process and actions to address the Head of Internal Audit's concerns on internal controls.

Member Accountability: Councillor Karen Jewitt, Chair of General Purposes and Audit Committee

Action	Officer comment	Summary of Internal Audit work	Status	Officer accountability
i) Delivery of the Financial Consultant's recommendations and the Head of Internal Audit's	As Reported to General Purposes and Audit Committee (16 th Sep 2021), 48 of the recommendations have been embedded into business as usual or		IN-PROGRESS	Interim Corporate Director of

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<p>concerns will be reported to the General Purposes and Audit Committee and to the Improvement Board as part of the Croydon Renewal Plan.</p>	<p>completed as required one-off tasks. This includes all the priority 1 to 3 tasks</p> <p>27 tasks remain to be fully completed or embedded and are designated as amber risk as they remain to be completed</p> <p>These remaining tasks largely relate to activities that take place once a year as part of budget setting or year-end work and are thus pending.</p> <p>There will be an update to GPAC in April [incl. date]</p>			<p>Resources (Section 151)</p>
<p>ii) That a piece of work be undertaken to clarify the roles of GPAC and Scrutiny to reduce duplication and ensure right things are being reviewed at the right time</p>	<p>Updates on phase 1 of the Finance Review are currently scheduled on the GPAC work plan up until September including updates on phase 1. It is suggested that it remain this way but Scrutiny call in as they feel appropriate to ensure correct level of challenge. The next update will be received at GPAC in September 2021 with a further update provisionally scheduled for February 2022.</p> <p>Phase 2 and 3 of the finance review have been paused to prioritise other pieces of work.</p> <p>The respective roles of GPAC and Scrutiny will be clarified as part of the wider review of the Constitution. (see LBC Recommendation 1)</p>		<p>PUBLISHED COMPLETE</p>	<p>Interim Corporate Director of Resources (Section 151)</p>

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Recommendation 11
The s151 officer needs to revisit the Growth Zone assumptions following the pandemic and make recommendations to Cabinet and Council for the continued investment in the scheme.

Cabinet Member Accountability: Councillor King, Cabinet Member for Croydon Renewal

Action	Officer comment	Summary of Internal Audit work	Status	Officer accountability
i) The Council have commissioned PwC to undertake a strategic review of the Growth Zone with completion expected November 2020. The report with recommendations on a way forward will be discussed with Cabinet and agreed by Members.	PwC report to cabinet made recommendations on future of Growth Zone. These are now being implemented	It was confirmed that the PwC report was produced and was reported to the Cabinet meeting held on 25 November 2020, which included a review of the Growth Zone. This report detailed that, 'Given the current economic uncertainty, the steps the Council have taken to review and revise down the ambitious investment plan for Growth Zone are sensible' and that, 'Any Subsequent increase in planned investment should be supported by a business case and taken through robust governance and sign off processes for full scrutiny.' A subsequent paper specifically on the Growth Zone was approved at the Cabinet meeting held on 22 March 2021. The paper sought approval to continue to fund key priority projects and activities in the short term, while a further report would be brought back to Cabinet later in the year setting out	PUBLISHED COMPLETE	Interim Director of Finance (Deputy S151)

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		future years' capital expenditure requests for the Growth Zone programme. The Council's forward planner details that a 'Growth Zone Update' be presented to Cabinet in December 2021.		
ii) Revised financial model profile to be presented alongside budget review in February 2021 to Cabinet, General Purposes and Audit Committee and the Scrutiny and Overview Committee.	<p>Budget report for 6th December sets out the current progress in bridging the £38m gap for 2022/23 and set out many of the risks the Council faces.</p> <p>Further reports on the budget in January and February will build on that position and fully address points raised in this item.</p> <p>Tracker on budget proposals adopted and is tracking progress with an audit log to identify changes to proposals and remaining gap.</p> <p>Monthly monitoring report full details of risks and opportunities alongside forecast in-year position.</p>		PUBLISHED COMPLETE	Interim Director of Finance (Deputy S151)
iii) Cabinet paper with revised profile and recommendations to be issued March 2021.	See 11ii	It was confirmed that the PWC report was produced and was reported to the Cabinet meeting held on 25 November 2020, which included a review of the Growth Zone. This report detailed that, 'Given the current economic uncertainty, the steps the Council have taken to review and revise down the ambitious investment plan for Growth	PUBLISHED COMPLETE	Interim Director of Finance (Deputy S151)

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		<p>Zone are sensible' and that, 'Any subsequent increase in planned investment should be supported by a business case and taken through robust governance and sign off processes for full scrutiny.'</p> <p>A subsequent paper specifically on the Growth Zone was approved at the Cabinet meeting held on 22 March 2021. The paper sought approval to continue to fund key priority projects and activities in the short term, while a further report would be brought back to Cabinet later in the year setting out future years' capital expenditure requests for the Growth Zone programme. The Council's forward planner details that a 'Growth Zone Update' be presented to Cabinet in December 2021.</p>		
<p>iv) The Council needs a mechanism in place to review projects to use the learning to inform any future work. This should be extended across all areas of the Council, with learning retained centrally as a corporate resources</p>	<p>The Programme Management Framework has been developed and published on the intranet and shared with the Community of Practice. Further work is needed to embed the process across the organisation.</p> <p>Internal Audit have flagged the process put in place as not fully embedded.</p>		<p align="center">IN- PROGRESS</p>	<p>Director of Policy, Programmes and Performance</p>

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Recommendation 12 – HIGH PRIORITY				
The s151 officer should review the financial rationale and associated risks and make recommendations to Cabinet and Council on whether the Revolving Investment Fund should continue.				
Cabinet Member Accountability: Councillor King, Cabinet Member for Croydon Renewal				
Action	Officer comment	Summary of Internal Audit work	Status	Officer accountability
i) The Council have commissioned PwC to undertake a strategic review of the Revolving Investment Fund with completion expected in November 2020. The report with recommendations on a way forward will be discussed with Cabinet and agreed by Members.	<p>Report by PwC on governance & strategic review delivered in November 2020 to Cabinet.</p> <p>Treasury Management strategy updated 1st March 2021 limits new lending under the RIF to BBB working capital loans only</p>	<p>It was confirmed that the PwC report was produced and was reported to the Cabinet meeting held on 25 November 2020, which included a review of the Revolving Investment Fund.</p> <p>The paper detailed that, 'The RIF has not been revolving, because very few of the loans have repaid with £208.8m* tied up in BBB loans with no interest received to date.' The Treasury Management Strategy Statement, Capital Strategy, Minimum Revenue Provision Policy Statement and Annual Investment Strategy 2021/2022 approved by Cabinet at the meeting held on 1 March 2021 detailed that, 'No new investments other than a loan for working capital to Brick by Brick will be made in 2021/22.'</p> <p>This was also presented to Council on 8 March 2021, but minutes of this meeting are not yet available.</p>	PUBLISHED COMPLETE	Interim Director of Finance (Deputy S151)

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<p>ii) Recommendations to be presented alongside budget review in Feb 2021 to Cabinet, General Purposes and Audit Committee and Scrutiny and Overview</p>	<p>As requested, budget position and proposals / risks will be presented to GPAC.</p> <p>Internal Audit have flagged the process put in place as not fully embedded. Status has been moved from complete to in-progress.</p> <p>Whilst reports have not been provided to all the committees listed, the fund is closed and therefore this action is considered to be complete.</p> <p>A report will be submitted to Cabinet in May.</p>		<p>COMPLETE Q4</p>	<p>Interim Director of Finance (Deputy S.151)</p>
<p>iii) Cabinet paper with recommendations to be issued March 2021.</p>	<p>See recommendation 12i</p>	<p>It was confirmed that the PWC report was produced and was reported to the Cabinet meeting held on 25 November 2020, which included a review of the Revolving Investment Fund. The paper detailed that, 'The RIF has not been revolving, because very few of the loans have repaid with £208.8m* tied up in BBB loans with no interest received to date.'</p> <p>The Treasury Management Strategy Statement, Capital Strategy, Minimum Revenue Provision Policy Statement and Annual Investment Strategy 2021/2022 approved by Cabinet at the meeting held on 1 March 2021 detailed that, 'No new investments other than a</p>	<p>PUBLISHED COMPLETE</p>	<p>Interim Director of Finance (Deputy S151)</p>

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		loan for working capital to Brick by Brick will be made in 2021/22.' This was also presented to Council on 8 March 2021, but minutes of this meeting are not yet available.		
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Recommendation 13

The s151 officer should review the purchase of Croydon Park Hotel to identify lessons learned to strengthen future due diligence arrangements.

Cabinet Member Accountability: Councillor King, Cabinet Member for Croydon Renewal

Action	Officer comment	Summary of Internal Audit work	Status	Officer accountability
i) The Council have commissioned PWC to undertake a strategic review of assets that have been purchased with completion expected in November 2020. The report with recommendations on a way forward will be discussed with Cabinet and agreed by Members.	On February 18 th Cabinet agreed the approach set out in the Interim Assets Strategy. This included, in the appendices, options for an approach on the future of Croydon Park Hotel. An update with a decision on the future of Croydon Park Hotel is provisionally scheduled for September 2021.	It was confirmed that the PWC report was produced and was reported to the Cabinet meeting held on 25 November 2020, which included a review of the Asset Investment Fund, including the purchase of the Croydon Park Hotel. Appendix 2 and part 8 of the Interim Assets Disposal Strategy report approved by Cabinet at the meeting held on 18 February 2021 was a 'Summary of Options considered for Croydon Park Hotel.' The agreed action/s was to: 1) Appoint real estate advisors to prepare the marketing strategy for approval by the Council to be procured under the Council's Tender and Contract Regulations.	PUBLISHED COMPLETE	Interim Director of Finance (Deputy S151)

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		2) Subject to approval of the strategy, the Council will then seek to appoint the firm to manage the sales process and present bids/offers for the Council to approve also to be procured under the Council's Tender and Contract Regulations		
ii) Recommendations, including lessons learned, will inform changes required to governance arrangements and training/development that might be required. These recommendations to be presented alongside budget review in February 2021 to Cabinet, General Purposes and Audit Committee and Scrutiny and Overview.	<p>A paper is being presented to the Cabinet Member for Croydon Renewal and the Cabinet Member lead for Resources on 21 December 2021. The objective is that this paper is progressed to General Purposes and Audit Committee at the earliest opportunity. The focus of the paper is:</p> <ul style="list-style-type: none"> Review of lessons learned from the acquisition of Croydon Park Hotel with a view to strengthen due diligence and governance arrangements going forward. This has been reviewed by IAP, with useful commentary and provided to Corp Dir Resources & Deputy s151 for comments, which area awaited. This draft is with Cabinet Member Croydon Renewal & Cabinet Member for resources whom are meeting on this 14/02 in order that it can then move to GPAC to complete the 		IN-PROGRESS	Interim Director of Commercial Investment

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	<p>process, as Part B due to commercial sensitivities.</p> <ul style="list-style-type: none"> • Property Investment Performance - in particular focussing on the performance of Colonades, Vulcan Way & Imperial Way, as well as reflection on why L.B. Croydon investment performance might differ from private sector investment performance. This will include matters such as the imposition on our operators of London Living Wage, selection of occupiers aligned to corporate objectives and administration. • Update on emerging Asset Strategy, which shall update and continue the work from the Interim Asset Disposal Strategy (Feb 2021). • Commercial Performance / Lessons learnt from Croydon Park Hotel. 			
<p>iii) Review and re-write the asset investment strategy that was approved by Cabinet in October 2018 incorporating advice from each of the Strategic Reviews. The review will</p>	<p>A consultant has been appointed and progress is being made. However there will be an 8 week delay in taking the strategy to Cabinet. The strategy is now scheduled to go to March 22 Cabinet.</p>		<p align="center">IN- PROGRESS</p>	<p>Interim Director of Commercial Investment</p>

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explicitly consider best practice from the sector and lessons learned from other local authorities, the external auditor and the National Audit Office on effective investment practice.	An external consultant has been appointed to produce the asset investment strategy which remains in progress and in line with the revised timetable.			
iv) Cabinet paper with recommendations to be issued March 2021. Update to be provided at Scrutiny on 9 th February	The Interim Assets Disposal Strategy, was discussed at both Cabinet and Scrutiny & Overview Committee in February.	The Interim Assets Disposal Strategy report was approved by Cabinet at the meeting held on 18 February 2021.	PUBLISHED COMPLETE	Interim Director of Finance (Deputy S151)

Recommendation 14 – HIGH PRIORITY

The Cabinet and Council needs to re-consider the Treasury Management Strategy for ongoing affordability of the borrowing strategy, the associated risks and identify whether alternative options can reduce the financial burden.

Cabinet Member Accountability: Councillor Young, Cabinet Member for Resources and Financial Governance and Councillor King, Cabinet Member for Croydon Renewal

Action	Officer comment	Summary of Internal Audit work	Status	Officer accountability
i) The Treasury Management Strategy will be reviewed as part of the budget setting for 2021/22 and will take into consideration the outcome of the strategic reviews to factor in the overall financial position and best practice from other local	Treasury Management strategy updated and agreed by Council on 8 th March 2021	The Treasury Management Strategy Statement, Capital Strategy, Minimum Revenue Provision Policy Statement and Annual Investment Strategy 2021/2022 was approved by Cabinet at the meeting held on 1 March 2021. The above document along with 'Council Tax and Budget' was also presented to Council at the meeting held on 8 March 2021. The minutes of	PUBLISHED COMPLETE	Interim Director of Finance (Deputy S151)

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<p>authorities. The report with recommendations on a way forward will be discussed with Cabinet and agreed by Members.</p>		<p>this Council meeting are not yet available</p>		
<p>ii) The outcome of the strategic reviews that the Council have commissioned will inform the Treasury Management Strategy for 21/22 onwards and any changes in governance that may be required.</p>	<p>See recommendation 14i</p>	<p>The Treasury Management Strategy Statement, Capital Strategy, Minimum Revenue Provision Policy Statement and Annual Investment Strategy 2021/2022 was approved by Cabinet at the meeting held on 1 March 2021. The above document along with 'Council Tax and Budget' was also presented to Council at the meeting held on 8 March 2021. The minutes of this Council meeting are not yet available.</p>	<p>PUBLISHED COMPLETE</p>	<p>Interim Director of Finance (Deputy S151)</p>

Recommendation 15

The Chief Executive should arrange detailed Treasury Management training to assist Members to better understand and challenge the long-term financial implications of matters reported within the Treasury Management Strategy.

Cabinet Member Accountability: Councillor Young Cabinet Member for Resources and Financial Governance

Action	Officer comment	Summary of Internal Audit work	Status	Officer accountability
<p>i) Members to attend training sessions facilitated by the Local Government Association to cover treasury</p>	<p>Treasury management training was offered to all members on the 3rd March 2021.</p>	<p>The 'Member Learning and Development Needs 2021-22' includes a 'Series of Finance Training' of which Treasury Management was delivered on in March 2021. A copy of</p>	<p>PUBLISHED COMPLETE</p>	<p>Chief Executive</p>

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<p>management to enable better and effective financial leadership.</p>	<p>Session was recorded and will be distributed to all Members and all budget managers.</p>	<p>the diary entry of the training held on 3 March 2021 for 'Treasury Management Training' was obtained that confirmed that all members of the Council had been invited.</p> <p>It was confirmed that a copy of the recorded training session – 'Treasury Management Training-0210303_170739-Meeting Recording.mp4' had been retained on SharePoint.</p>		
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Recommendation 16

The s151 officer should revisit the Minimum Revenue Provision policy to demonstrate that a prudent approach is being taken.

Cabinet Member Accountability: Councillor King Cabinet Member for Croydon Renewal

Action	Officer comment	Summary of Internal Audit work	Status	Officer accountability
<p>i) Link Asset Management has been commissioned to carry out a review of the Minimum Revenue Position policy. The report with recommendations will be discussed with General Purposes and Audit Committee and then on to Cabinet.</p>	<p>Minimum Revenue Provision being re-calculated and forecast based on capital proposals and likely capital receipts and is being determined in accordance with regulations pertaining to MRP and policy.</p> <p>Work in progress (MRP policy) – Update to Cabinet is scheduled for February 22.</p> <p>This is covered in the MTFs and Treasury Strategy that are being submitted to Cabinet in February and then full Council.</p>		<p>COMPLETE Q4</p>	<p>Interim Director of Finance (Deputy S.151)</p>

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Recommendation 17
The Cabinet and Council should reconsider the financial business case for continuing to invest in Brick by Brick before agreeing any further borrowing.

Cabinet Member Accountability: Councillor Hamida Ali, Leader of the Council

Action	Officer comment	Summary of Internal Audit work	Status	Officer accountability
i) PwC has been commissioned to undertake a strategic review of Brick by Brick with completion expected in November 2020. The report with recommendations regarding the financial business case will be reviewed by the Scrutiny and Overview Committee prior to being presented to Cabinet.	The decision to wind the company down but complete key sites between now and 2023/24. The PwC report was taken to Scrutiny...xx		COMPLETE Q4	Interim Director of Commercial Investment
ii) Council to review the risks relating to Brick by Brick to ensure they are appropriately listed on the risk register	The Risks for Brick by Brick have been reviewed and are as follows per the Corporate Risk Register: 1. Investigation or ownership taken on all activities that the Council undertakes by the Executive Leadership Team, Cabinet and all Scrutiny Committees (including GPAC).	It was confirmed that risk RCS0027 'There is no effective challenge, review, investigation or ownership taken on all activities that the Council undertakes by the Executive Leadership Team, Cabinet and all Scrutiny Committees (including GPAC)' was added to the was added to the Council's risk management system on 19 May 2021.	PUBLISHED COMPLETE	Interim Director of Finance (Deputy S151)

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	<p>2. There is no effective challenge, review, investigation or ownership taken on all activities that the Council undertakes by the Executive Leadership Team, Cabinet and all Scrutiny Committees (including GPAC).</p> <p>**These risks specifically relate to financial strategy, treasury management strategy (including borrowing), capital investment strategies and appropriateness of continuing investment and association with BBB**</p> <p>The Corporate Red Risk Register is reviewed monthly at ELT to review and update risks where necessary.</p>	<p>The following risks, relating specifically to Bick by Brick and other subsidiaries were also noted, namely:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Risk FIR051 'Risk of financial loss and reputational damage due to the poor performance of Brick By Brick including the Fairfield Halls refurbishment project. <input type="checkbox"/> Risk FIR036 'Robust governance & risk management procedures / frameworks are not activated to safeguard the interests (financial & reputational) of the Council and it's taxpayers within all subsidiary organisations where the Council has an interest.' 		
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Recommendation 18 – HIGH PRIORITY				
The Cabinet and Council should review and reconsider the ongoing financial rationale for the Council in the equity investment arrangement with Brick by Brick.				
Cabinet Member Accountability: Councillor King Cabinet Member for Croydon Renewal				
Action	Officer comment	Summary of Internal Audit work	Status	Officer accountability
i) PwC has been commissioned to undertake a strategic review of Brick by Brick. The report and recommendations will	<p>This paper went to Scrutiny & Overview Committee and Cabinet in February 2021.</p> <p>The Cabinet paper noted that the Council has never made any equity payments, as planned, and is not in the financial</p>	It was confirmed that the PWC report was produced and was reported to the Cabinet meeting held on 25 November 2020, which included a review of Brick by Brick and also the Revolving	PUBLISHED COMPLETE	Chief Executive

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<p>consider the ongoing financial rationale and equity invested and will detail options for the Council that will be considered by the Scrutiny & Overview Committee Cabinet prior to being presented to Cabinet.</p>	<p>position to do so. It was noted BBB sales proceeds were meant to be placed in an account for the Council to apply interest repayment and, if excess, to substantive loan repayment. Unfortunately, this process has not occurred and instead sale proceeds were retained by BBB effectively replacing the Council’s equity share.</p> <p>The Council needs to review existing arrangement, change the current agreements or replace it with fresh loans.</p> <p>It is recommended that the current arrangements continue but in a modified way to give Brick by Brick capacity to have working capital to ensure that funds are available to build out units on site</p>	<p>Investment Fund. The paper detailed that, ‘The RIF has not been revolving, because very few of the loans have repaid with £208.8m* tied up in BBB loans with no interest received to date.’</p> <p>A report on the ‘Review of Brick by Brick Croydon Ltd’ was approved by Cabinet on 18 February 201 that ‘revised funding arrangements be entered into with Brick by Brick to reflect the current loan positions and proposals for the future, including, where relevant, moving to a 100% debt funding position (as opposed to 25% equity and 75% debt); extending relevant loans and repayment periods; allowing delays with repayments of existing loans; agreeing to further funding of no more than £9.99 million in relation to sites proposed for Brick by Brick to continue developing ...’</p> <p>This was also presented to Council on 29 March 2021, but the minutes of this meeting are not yet available. The Treasury Management Strategy Statement, Capital Strategy, Minimum Revenue Provision Policy Statement and Annual Investment Strategy 2021/2022 approved by Cabinet at the meeting held on 1 March 2021 detailed that, ‘No new investments other than a loan for working capital to Brick by Brick will be made in 2021/22.’ This</p>		
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		was also presented to Council on 8 March 2021, but minutes of this meeting are not yet available.	
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Recommendation 19

The s151 officer and monitoring officer should monitor compliance with loan covenants with Brick by Brick and report any breaches to Members.

Cabinet Member Accountability: Councillor King Cabinet Member for Croydon Renewal

Action	Officer comment	Summary of Internal Audit work	Status	Officer accountability
<p>i) Loan covenants are within scope of the PwC strategic review and will be considered as part of the overall recommendations.</p> <p>A review of the existing loan covenants and their governance is to be undertaken. Learning from this review, a new system of control for all loan agreements entered into by the Council will be presented to Members and this will form part of the new Corporate Finance, Performance and Risk reporting system.</p>	<p>Loan agreements to be redrafted to provide a comprehensive single agreement</p> <p>The February Cabinet report agreed that detail of the revised loan scheme be delegated to the Chief Executive after consultation with the leader and appropriate lead members.</p> <p>Taken to cabinet in November.</p> <p>Presented to GPAC & Scrutiny and Overview Committee in xxx</p>	<p>The 'Treasury Management Strategy Statement, Capital Strategy, Minimum Revenue Provision Policy Statement and Annual Investment Strategy 2021/2022' presented to the February 2021 Cabinet meeting detailed that, 'The RIF [Revolving Investment Fund] also acted as a funder to the Council's Housing Development Company Brick by Brick, enabling the development of homes in the Borough. The Council has commissioned a review of the RIF which was reported to the Cabinet in November 2020. No new investments other than a loan for working capital to Brick by Brick will be made in 2021/22.' There is no evidence of the review and proposed new system for loan covenants being presented to GPAC & Overview Committee prior to being presented to Cabinet for approval.</p>	<p>COMPLETE Q4</p>	<p>Interim Corporate Director of Resources (Section 151)</p>

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<p>The review and the proposed new system for loan covenants will be presented to GPAC & Scrutiny and Overview Committee prior to being presented to Cabinet for approval.</p>		<p>No clear metrics have been provided for the proposed system governing loan covenants as forming part of the new Corporate, Finance, Performance and Risk reporting system.</p>		
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Recommendation 20 – HIGH PRIORITY

The Cabinet and Council should review its arrangements to govern its interest in subsidiaries, how the subsidiaries are linked, and the long-term impact of the subsidiaries on the Council's financial position and how the Council's and taxpayers' interest is safeguarded.

Cabinet Member Accountability: Councillor Young, Cabinet Member for Resources and Financial Governance

Action	Officer comment	Summary of Internal Audit work	Status	Officer accountability
<p>i) An audit of the Council's approach to membership of each subsidiary board will be undertaken. The audit will involve officers of the Council and any Chairs/Members of company boards.</p>	<p>A working group was established to work through the existing list of companies that the Council has an interest in. Relevant officers and Directors of company boards were invited to present a paper at each of the working group meetings to discuss the company/companies they are involved with.</p> <p>These informed renewed governance arrangements which were approved by Cabinet on 26th July 2021, establishing the Croydon Companies' Supervision and Monitoring Panel (CCSMP) and approving its terms of reference.</p>		<p>PUBLISHED COMPLETE</p>	<p>Interim Corporate Director of Resources (Section 151)</p>

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	As part of a refreshed approach to membership the S151 Officer in consultation with the Chief Executive, has delegated authority to appoint and remove nominated Directors from the board of Group entities.			
ii)	<p>As part of this review the membership balance of the boards will be considered in aggregate in regard to best practice for achieving diversity, skill set, sectoral knowledge and Croydon Council representation.</p> <p>The terms of reference for CCSMP includes the following: <i>“In fulfilling its responsibilities the CCSMP will: Evaluate effectiveness of Group entity board governance structure and processes and recommend changes as required, including with a view to achieving diversity, skill set, sectoral knowledge and appropriate representation.”</i></p> <p>This measure will help ensure diversity, equality and inclusion aspects will be considered in all future decisions on membership.</p>		PUBLISHED COMPLETE	<p>Interim Corporate Director of Resources (Section 151)</p> <p>Interim Director of Finance (Deputy S151)</p>
iii)	<p>External guidance on best practice will be sought. Roles, responsibilities and legal requirements for local authority company directors and guidance on skill set will be sought and this will include the best way to assess the competence of Members and Chief Officers for these roles.</p> <p>Principles of Good Governance have been embedded within the terms of reference for CCSMP. These principles consider best practice at other local authorities including Nottingham City Council, Birmingham City Council, Ealing Council and Wirral Council.</p> <p>Furthermore, the terms of reference include the following:</p>		PUBLISHED COMPLETE	Interim Corporate Director of Resources (Section 151)

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	<p><i>“In fulfilling its responsibilities the CCSMP will: Receive updates and training in respect of best practice for company governance and associated matters”</i></p> <p>External guidance will be continually sought as BAU.</p>			
<p>iv) Process for identifying gaps in knowledge and or experience will be brought forward to include training considerations. If necessary interim arrangements will be made to remove risks and ensure effective governance.</p>	<p>The Principles of Good Governance, which are embedded within the terms of reference for CCSMP, include the following:</p> <ul style="list-style-type: none"> • <i>“Directors of the Group entity must act for the entity, declaring and avoiding any actual or apparent conflict of interest. The Group entity should have skills appropriate to the sector and roles. To ensure this is achieved the Board should have mandatory training including induction, an annual training programme and guidance notes. An annual skills audit and triennial independent review should be used to support the entity Board and identify appropriate external expertise</i> • <i>Council nominated directors and member representatives to receive mandatory training on an annual basis and appropriate indemnity arrangements to be ensured”</i> 		<p>PUBLISHED COMPLETE</p>	<p>Interim Corporate Director of Resources (Section 151)</p> <p>Interim Director of Finance (Deputy S151)</p>

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	As explained above (20i), the ability to appoint and remove Directors has also been delegated			
v) Essential mandatory training will be undertaken on an annual basis and the retention of the director role for each Councillor and Council official will rely on completion of the recommended training.	<p>Company Director training with the Council's external legal partners was delivered on 1 February 2022.</p> <p>Responsibility to continue as BAU.</p> <p>The first CCSMP report is expected to be presented to Cabinet in March 2022.</p>		IN-PROGRESS	Interim Corporate Director of Resources (Section 151)
vi) The impact of these changes will need to be reflected in the Council's Constitution and relevant protocols.	<p>Changes to the constitution will be considered as part of the wider changes to be implemented for the constitution.</p> <p>CCSMP will liaise with the relevant working group dealing with the Council's constitution changes.</p> <p>The first CCSMP report is expected to be presented to Cabinet in March 2022.</p> <p>Get update from Heather Wills</p>		IN-PROGRESS	Interim Corporate Director of Resources (Section 151)
vii) Support for the effective governance of the Council's subsidiaries and retaining a corporate overview of activity of individual companies and the whole group of companies is to be developed.	<p>Responsibility to continue as BAU.</p> <p>The first CCSMP report is expected to be presented to Cabinet in March 2022.</p> <p>CCSMP will meet monthly to retain overview over subsidiaries.</p> <p>These recommendations were addressed via the establishment of a working group</p>		IN-PROGRESS	Interim Corporate Director of Resources (Section 151)

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	<p>to address the recommendations in the PwC review of Companies. This review focused on the following areas:</p> <ul style="list-style-type: none"> • BxB • AIF • RIF • Growth Zone <p>The first order of business for the group was a decision to expand the remit to all council companies.</p> <p>This group presented a report to Cabinet in September last year, establishing themselves as an internal control board (Croydon Companies Supervision and Monitoring Panel – CCSMP).</p> <p>CCSMP is chaired by the s151 and meet monthly. The Panel provides formal updates to both Cabinet & GPAC/Scrutiny. I have attached the actions and minutes from the last meeting (the next meeting is on 14th February 2022).</p>			
<p>viii) Raise awareness of the timing of the Annual General Meetings of subsidiaries amongst Members.</p>	<p>Responsibility to continue as BAU.</p> <p>The first CCSMP report is expected to be presented to Cabinet in March 2022.</p> <p>These recommendations were addressed via the establishment of a working group to address the</p>		<p align="center">IN- PROGRESS</p>	<p>Interim Corporate Director of Resources (Section 151)</p>

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	<p>recommendations in the PwC review of Companies. This review focused on the following areas:</p> <ul style="list-style-type: none"> • BxB • AIF • RIF • Growth Zone <p>The first order of business for the group was a decision to expand the remit to all council companies.</p> <p>This group presented a report to Cabinet in September last year, establishing themselves as an internal control board (Croydon Companies Supervision and Monitoring Panel – CCSMP).</p> <p>CCSMP is chaired by the s151 and meet monthly. The Panel provides formal updates to both Cabinet & GPAC/Scrutiny. I have attached the actions and minutes from the last meeting (the next meeting is on 14th February 2022).</p>			
<p>ix) Cost effective mechanism to publish Board membership of Council subsidiaries to be investigated</p>	<p>Responsibility to continue as BAU.</p> <p>The first CCSMP report is expected to be presented to Cabinet in March 2022.</p> <p>These recommendations were addressed via the establishment of a working group to address the recommendations in the</p>		<p align="center">IN- PROGRESS</p>	<p>Interim Corporate Director of Resources (Section 151)</p>

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	<p>PwC review of Companies. This review focused on the following areas:</p> <ul style="list-style-type: none"> • BxB • AIF • RIF • Growth Zone <p>The first order of business for the group was a decision to expand the remit to all council companies.</p> <p>This group presented a report to Cabinet in September last year, establishing themselves as an internal control board (Croydon Companies Supervision and Monitoring Panel – CCSMP).</p> <p>CCSMP is chaired by the s151 and meet monthly. The Panel provides formal updates to both Cabinet & GPAC/Scrutiny. I have attached the actions and minutes from the last meeting (the next meeting is on 14th February 2022).</p>			
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LBC Recommendation 1
 Given the challenges ahead there will need to be improvement of the Council’s approach to risk management to enable a satisfactory turnaround of the financial position.

Cabinet Member Accountability: Councillor King Cabinet Member for Croydon Renewal

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i) An externally led review of the Council's appetite for risk needs to be undertaken with Members and Officers to ensure that the council's financial capacity for managing risk is fully understood.	<p>The Council has undertaken benchmarking in relation to ear-marked and General Fund reserves and our general reserves compare favourably to outer London Boroughs.</p> <p>An external review will be undertaken at a future date once we've fully completed internal reviews.</p> <p>Risk factors are being incorporated into monthly monitoring reports and throughout budget setting process.</p> <p>Level of risk and appetite is being assessed and is being incorporated into the strategy of rebuilding general and earmarked reserves accordingly.</p>		IN-PROGRESS	Interim Director of Finance (Deputy Section 151)
ii) Corporate Finance, Performance and Risk management to be combined into one reporting function to remove silo thinking and increase the rigour to enable delivery of services, savings plans and the overarching Improvement Plan. This will require one new unified system of corporate reporting.	<p>PMO developing initial Corporate Finance, Performance and Risk report.</p> <p>These reports will be developed monthly and will provide updates from across the Council on key KPIs. A Cabinet report on the process of reporting was provided on April 12th 2021.</p> <p>The June 7th Corporate Finance, performance & Risk report iteration will provide a final set of CRP measures, and targets set to date, as well as a further update on the work streams in place to</p>	<p>Please also refer to 8(i) above. The 'Croydon Renewal and Improvement Plan - Performance Reporting Framework & Measures; report initially on 12th April 2021 and then the subsequent updates to Cabinet on 7th June and 26 July 2021 provided, 'an update on the implementation of the Council's Corporate Performance Action Plan and development of the associated performance reports as agreed at Cabinet on the 12 April 2021. The performance, finance and risk report</p>	PUBLISHED COMPLETE	Interim Corporate Director of Resources (Section 151)

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	<p>produce a full set of corporate performance reports by September 2021 Cabinet.</p> <p>The monthly reports will develop over time as recommendations are progressed.</p>	<p>(appendix A) will improve the corporate performance offer by providing timely and accurate performance data on programme / project status, performance against Corporate Renewal Plan KPI's, and progress against the delivery of financial savings.'</p> <p>It is noted that the development of the report is an iterative process, with a report detailing the four areas of programmes, finance and risk expected to become available in September 2021.</p> <p>This was in addition to the regular 'Financial Performance Report' being provided to Cabinet. The progress of developing Corporate Finance, Performance and Risk report (FPR) and a draft copy of FPR is reported in the Cabinet meeting on 12th April 2021 and 7th June 2021.</p> <p>Complete 'Corporate Finance, Performance & Risk' reports were confirmed to be reported to the October and November 2021 Cabinet meetings.</p>		
<p>iii) Risk considerations to be made at the outset of all new decisions will ensure the Council has capacity, capability and financial resources needed to deliver. The assessment</p>	<p>Corporate Risk register has been further developed with monthly review of all corporately rated red risks/financial risks taking place at CMT to ensure top level leadership.</p>		<p>COMPLETE Q4</p>	<p>Interim Director of Finance (Deputy Section 151)</p>

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<p>of risk is on the individual decision and its impact on the whole of the Council.</p>	<p>All new projects will take into account level of all risks and appetite.</p> <p>All financial risks associated with budget changes are scrutinised via Star Chamber budget setting process. Financial and other risks are outlined in Cabinet reports.</p> <p>This now sits as part as standard service planning in BAU.</p>			
<p>iv) Develop training for Members and Officers to understand effective risk management.</p>	<p>Further LGA lead training for Members of GPAC committee took place on 22 November 2021.</p> <p>The Member training and development plan has been prepared but there are significant risks in ensuring its ownership and delivery.</p> <p>One to one risk management refreshers and access to the JCAD risk management system are being provided to every Director and Corporate Director.</p>		<p>COMPLETE Q4</p>	<p>Interim Corporate Director of Resources (Section 151)</p>
<p>v) The Council to review the terms of reference in regards the General Purposes and Audit Committee and Scrutiny & Overview Committee with regards to risk management to ensure there are no gaps in governance, to remove</p>	<p>Terms of reference of General Purposes and Audit Committee will be reviewed as part of constitutional changes brought to GPAC prior to full Council in March: a separate Audit Committee is proposed with terms of reference based on the CIPFA model.</p> <p>The Member training and development plan has been prepared on the respective</p>		<p>COMPLETE Q4</p>	<p>Interim Corporate Director of Resources (Section 151)</p>

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<p>silo thinking and that both committees have a clear understanding of their responsibilities. This will include new guidance and joint training</p>	<p>roles of Audit and Scrutiny and will be delivered in the member induction programme from May 2022 onwards (including joint training) but there are significant risks in ensuring its ownership and delivery.</p> <p>Review of terms of reference will be complete in March, training/ guidance to follow in May/ June</p> <p>This now forms part of the BAU.</p>			
<p>vi) Councillors to be provided overview of Council risk function and how risks are constantly monitored and updated in the organisation</p>	<p>Cabinet training workshop took place in January 2021.</p> <p>Officers will look at opportunities to provide key learning to members through refreshed work programme for 2022. (see LBC 3- i)</p>	<p>The Head of Fraud, Risk & Insurance confirmed that a risk management training session was provided for joint political Cabinet and ELT on the evening of 20 of January 2021. He explained that this session gave an overview of the risk management framework at Croydon and the risk register itself.</p>	<p>PUBLISHED COMPLETE</p>	<p>Interim Corporate Director of Resources (Section 151)</p>

LBC Recommendation 2				
Clarifying member and officer roles to support good governance arrangements				
Cabinet Member Accountability: Councillor Young Cabinet Member for Resources and Financial Governance				
Action	Officer comment	Summary of Internal Audit work	Status	Officer accountability

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<p>i) The Council will need to undertake a review to consider its operating model to ensure it has capacity and specialist skills required to deliver the financial and operational improvements that are needed to deliver.</p>	<p>The restructure proposals approved by Full Council on 5th July 2021 went live on 2nd November 2021. This organisational redesign is fundamental to the council and will help us to improve how we do things, operate within our budget and to create an inclusive culture that supports delivery of the best possible affordable service we can provide to our residents.</p> <p>Senior recruitment drive is well underway with interview dates set.</p>		<p>PUBLISHED COMPLETE</p>	<p>Chief Executive Officer</p> <p>Interim Assistant Chief Executive</p>
<p>ii) The Member/Officer protocol is to be reviewed to ensure that it gives clarity on the respective roles and responsibilities for both Members and officers. The protocol should also explicitly place the seven principles of public life, known as the Nolan principles, at its heart.</p> <p>https://www.gov.uk/government/publications/the-7-principles-of-public-life.</p> <p>Training will be held for all Councillors and senior officers to develop good practice.</p>	<p>A Member / Officer Task & Finish Group has prepared a revised protocol for consideration by Ethics Committee on 9th February, prior to the preparation of proposals for constitution changes by GPAC and full Council in March.</p> <p>The Protocol references the Nolan principles and builds on the member and officer codes of conduct, which have the Nolan principles at their heart.</p> <p>The Member and officer training and development plan has been prepared and will be provided to members as part of the member induction from May 2022 onwards but there are significant risks in ensuring its ownership and delivery.</p> <p>As part of the senior restructure, job descriptions for CMT and Directors have directly incorporated the Nolan principles.</p>		<p>COMPLETE Q4</p>	<p>Interim Corporate Director of Resources (Section 151)</p>

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	<p>This now forms part of the BAU.</p> <p>Review of protocol will be complete after Ethics Committee 9th February. Training to follow in March - June 2022.</p>				
iii)	<p>A review of the member and officer Codes of Conduct will be undertaken to incorporate any learning from recent events and to ensure that they explicitly include the seven principles of public life, known as the Nolan principles, as the basis of the ethical standards expected of elected and appointed public office holders.</p>	<p>A new member code of conduct based upon the LGA model code was adopted at a meeting of Council on 09 December 21. Training sessions on the implications of the new code was delivered to members on 4 October.</p> <p>This is linked to LBC2 - ii.</p> <p>Following the Council meeting, all Members were invited to raise queries or comments on the guidance and were offered the opportunity to attend a further training session on the subject. At the time of writing the minutes, no responses had been received. It is proposed, in line with the approach recommended by the LGA, that the Ethics Committee review the Code of Conduct annually ongoing.</p>	<p>Examination of the minutes of the Ethics Committee meeting held on 11th February 2021 confirmed that LGA's new model Code of Conduct was presented at the meeting and that members asked for a gap analysis to come back to the committee in April to inform any potential future changes. Examination of the minutes of the subsequent Ethics Committee meeting held on 26th May 2021 confirmed that the completed gap analysis was reported.</p> <p>The member Code of Conduct was then approved at the 11 October 2021 full Council meeting. The officer Code of Conduct is yet to be approved.</p>	PUBLISHED COMPLETE	Interim Corporate Director of Resources (Section 151)
iv)	<p>Development sessions for Members and officers to better understand each other's respective roles.</p>	<p>The Member and officer training and development plan has been prepared and will be provided to members as part of the member induction from May 2022 onwards but there are significant risks in ensuring its ownership and delivery.</p>		COMPLETE Q4	Interim Corporate Director of Resources (Section 151)

**APPENDIX 1b - ACTION PLAN IN RESPONSE TO THE REPORT IN PUBLIC INTEREST OCTOBER 2020 – STATUS ALL ACTIONS
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	<p>As part of the move to the Mayoral model of governance, staff briefings have been held and additional training is being considered.</p> <p>This now forms part of the BAU.</p>				
v)	<p>Review the level of support and advice Scrutiny & Overview Committee and the General Purposes and Audit Committee receives from the Head of Paid Services, Section 151 Officer and Monitoring Officer to ensure that the advice is in line with their statutory responsibilities. With this include clarification on the ability and process for members to request information.</p>	<p>The role of statutory chief officers attending Scrutiny and General Purposes and Audit Committee meetings has been clarified and there is now clearer water between the roles of officers and members advising those meetings.</p> <p>A training programme has been agreed by the Member Learning & Development Panel that includes additional sessions for members of both committees.</p> <p>The work programmes for both committees has also been embedded in the new corporate forward planning processes and officers are currently working with members with the aspiration of the corporate forward plan being routinely presented to the Scrutiny Committee.</p> <p>The draft access to information protocol has been presented to members for comment and is due to be formally considered by the Ethics Committee at its December meeting.</p>		COMPLETE Q4	Monitoring Officer

**APPENDIX 1b - ACTION PLAN IN RESPONSE TO THE REPORT IN PUBLIC INTEREST OCTOBER 2020 – STATUS ALL ACTIONS
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	<p>The draft access to information protocol has been presented to members for comment and is due to be formally considered by the Ethics Committee at its December meeting. The Access to Information Protocol was agreed by Ethics Committee in December and GPAC in January and will be presented to full Council for incorporation into the Constitution in March.</p>			
<p>vi) Review the capacity of the organisation to support the Scrutiny & Overview Committee and the General Purposes and Audit Committee so that activity is prioritised within the financial resources for these functions.</p>	<p>The need for additional resources has been identified, though funding for those resources has not yet been obtained.</p> <p>Partners from the LGA are due to support the Council from January 2022 in reviewing and developing proposals to enhance the Council's decision making governance, including support to these two committees.</p> <p>Budget proposals for 2022/23 include growth of £140k for Democratic Services to help it bridge the current capacity gap. An LGA led peer review is underway to review and develop proposals to enhance the Council's decision making governance, including support to these two committees.</p>		<p>IN- PROGRESS</p>	<p>Monitoring Officer</p>

**APPENDIX 1b - ACTION PLAN IN RESPONSE TO THE REPORT IN PUBLIC INTEREST OCTOBER 2020 – STATUS ALL ACTIONS
QUARTER 4, MARCH 2022**

LBC Recommendation 3				
Ensuring that Members are appropriately trained across all aspects of the Council’s financial duties and responsibilities				
Cabinet Member Accountability: Councillor Young, Cabinet Member for Resources and Financial Governance				
Action	Officer comment	Summary of Internal Audit work	Status	Officer accountability
i) A detailed training and development programme is being designed to enable all Members to fulfil their roles in regard to their role with sufficient rigour. The programme being developed will cover: <ul style="list-style-type: none"> • Financial management to include the importance of effective budget setting, a robust Medium Term Financial Strategy and rigorous budget monitoring (Add reserves) • Understanding funding sources, eg general fund, housing revenue account and direct schools grant • The role of Audit and the external auditor 	<p>Some training on Finance, Treasury Management and Risk was delivered in the latter part of 2020/early 2021.</p> <p>A training programme aligned with the actions in the RIPI action plan has been developed, costed and approved by Members Learning and Development Panel and Ethics Committee. Delivery commenced in October 2021.</p> <p>A member’s induction programme for May 2022 will be informed by the RIPI recommendations.</p> <p>The training offer will be refreshed annually and continually offered to members as BAU going forward.</p> <p>Member attendance at training is now recorded on the Council’s Modgov system.</p>		COMPLETE Q4	Head of Democratic Services & Scrutiny

**APPENDIX 1b - ACTION PLAN IN RESPONSE TO THE REPORT IN PUBLIC INTEREST OCTOBER 2020 – STATUS ALL ACTIONS
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<ul style="list-style-type: none"> • Treasury management and capital strategies and the Council's approach to subsidiaries • Risk assessment • Commercial Investment • Mentoring • Commissioning and Procurement Process • ASC Budget • Transformation Funding • Statutory and non-statutory services 				
<p>ii) Further work on Cabinet development will be undertaken to support members to explore priorities for the new Cabinet, agree how the Members will work together to make the most of shared skills and consider individual and collective leadership styles and ways of working.</p>	<p>LGA have carried out a facilitated session for Cabinet members</p>	<p>The 'Member Learning and Development Needs 2021-22' includes as item 7 'LGA Training for Cabinet' which is ongoing. The notes for this course detail that 'LGA have carried out a facilitated session for Cabinet – in progress.' The 'Member Learning and Development Needs 2021-22' also included: 1) A 'Series of Finance Training' of which Treasury Management was delivered in March 2021, with sessions on 'Financial management / Budget setting', 'Financial Strategy and Monitoring', Commercial Investment',</p>	<p>PUBLISHED COMPLETE</p>	<p>Interim Corporate Director of Resources (Section 151)</p>

**APPENDIX 1b - ACTION PLAN IN RESPONSE TO THE REPORT IN PUBLIC INTEREST OCTOBER 2020 – STATUS ALL ACTIONS
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		Council's funding sources/reserves', 'Transformation funding' and 'Commissioning and Procurement being planned. 2) 'Education Funding and Budgets' which was 'Delivered to CYP Scrutiny and members of both Cons and Lab Groups' in January 2021.		
iii) Target support to be provided for Cabinet Members, Scrutiny & Overview Committee Members and General Purposes and Audit Committee Members to strengthen the approach to reviewing the emerging plans, actions and risks that are being developed as part of the Croydon Renewal Plan, Financial recovery and progress against the Report in the Public Interest October 2020. In particular the training will include: <ul style="list-style-type: none"> • The role of Scrutiny and Overview in relation to finance and General Purposes and Audit Committee • Developing an effective culture of 	<p>This needs to be considered in conjunction with LBC Recommendations 2(v) and 3(i).</p> <p>Training has been provided to Scrutiny during 2022/3 to support the committee to scrutinise the Croydon Renewal Plan and develop an effective culture of scrutiny.</p> <p>The member induction programme for May 2022 onwards, including training for Audit and Scrutiny Committees has been presented to both the Member Learning and Development Panel and the Ethics Committee.</p> <p>The Access to Information Protocol was agreed by Ethics Committee in December and GPAC in January and will be presented to full Council for incorporation into the Constitution in March.</p> <p>Training complete in this administration, to be delivered afresh from May as part of BAU, so this is completed</p>		COMPLETE Q4	Monitoring Officer

**APPENDIX 1b - ACTION PLAN IN RESPONSE TO THE REPORT IN PUBLIC INTEREST OCTOBER 2020 – STATUS ALL ACTIONS
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<p>scrutiny and key questioning skills</p> <ul style="list-style-type: none"> • Maintaining a 'big picture' view of the financial pressures affecting the council • Assessing effectively budget and financial plans, budget monitoring, reserves approach • Challenging how resources are allocated • Scrutinising partnership arrangements • Key finance issues for Scrutiny and Overview Committee to consider 				
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LBC Recommendation 4

The Council develops an improvement programme that has the necessary elements for it to function effectively and within its financial resource.

Cabinet Member Accountability: Councillor Hamida Ali, Leader of the Council

Action	Officer comment	Summary of Internal Audit work	Status	Officer accountability
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**APPENDIX 1b - ACTION PLAN IN RESPONSE TO THE REPORT IN PUBLIC INTEREST OCTOBER 2020 – STATUS ALL ACTIONS
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<p>i) Implement new Council management arrangements that ensure:</p> <ul style="list-style-type: none"> • the delivery of high quality statutory services • finances are appropriately managed and controlled • a sound understanding of risk management is at the heart of the organisation 	<p>The restructure proposals approved by Full Council on 5th July 2021 went live on 2nd November. Senior recruitment drive is well underway and ongoing.</p> <p>Interim Assets Strategy in implementation stage with a number of assets targeted to be disposed by end of financial year.</p> <p>Corporate Risk register has been further developed with monthly review of all corporately rated red risks/financial risks taking place at CMT to ensure top level leadership.</p> <p>All new projects will take into account level of all risks and appetite.</p> <p>All financial risks associated with budget changes are scrutinised via Star Chamber budget setting process. Financial and other risks are outlined in Cabinet reports.</p> <p>Monthly monitoring is now embedded and is reported to DMTs, CMTs and Cabinet. Monitoring includes analysis of forecast position, risks and opportunities as well as progress in savings delivery. In addition challenge sessions chaired by the Chief Executive Officer review financial forecasts and risk on a regular cycle.</p> <p>Monthly performance report taken to Cabinet and other Committee meetings.</p>		<p>COMPLETE Q4</p>	<p>Chief Executive Officer</p>
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**APPENDIX 1b - ACTION PLAN IN RESPONSE TO THE REPORT IN PUBLIC INTEREST OCTOBER 2020 – STATUS ALL ACTIONS
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<p>ii) Working with local residents, rebuild the trust with their local Council by focussing on effective delivery of core services, responding promptly and appropriately to queries and complaints and learning from good practice as well as failures and from each other.</p>	<p>The Council is utilising feedback, gained via ad-hoc and planned engagement activities with residents to inform development of a range of solutions to better meet current and future needs. This include looking at skills gaps that exists and ways to involve residents in the training of our staff to ensure their voice is reflected in our actions.</p> <p>Sessions with residents have taken place in relation to Regina Road to open up direct communication links between officers and people impacted.</p> <p>Rebuilding trust with residents will be an ongoing process as we improve our culture and systems in order to be the Council our residents need. An update will continue to be provided against this action for the foreseeable future.</p> <p>Sits in standard service planning as part of BAU.</p>		<p>COMPLETE Q4</p>	<p>Director of Policy, Programmes and Performance</p>
<p>iii) Introduce a new system of internal control focussed on finance, performance and risk to manage financial expenditure, risk management, service performance and the delivery of Council priorities. This will follow a</p>	<p>Monthly monitoring is now embedded and is reported to DMTs, CMTs and Cabinet.</p> <p>Monitoring includes analysis of forecast position, risks and opportunities as well as progress in savings delivery.</p> <p>In addition challenge sessions chaired by the Chief Executive Officer review</p>		<p>COMPLETE Q4</p>	<p>Interim Corporate Director of Resources (Section 151)</p>

**APPENDIX 1b - ACTION PLAN IN RESPONSE TO THE REPORT IN PUBLIC INTEREST OCTOBER 2020 – STATUS ALL ACTIONS
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<p>monthly cycle of Departmental Leadership Teams, Executive Leadership Team, Cabinet and Scrutiny & Overview as appropriate.</p>	<p>financial forecasts and risk on a regular cycle.</p>			
<p>iv) Building on the work done to date and listening to staff concerns about equality and diversity in the workplace, co-create a working environment that respects and values all our staff and take positive action to ensure that this is the case.</p>	<p>We continue tea talk conversations and by the end of December all staff networks would have had an opportunity to challenge CMT with their top issues. We are currently responding to each of the issues that staff have asked that we attend to and formal responses, solutions are being shared with the respective networks and where appropriate all staff.</p> <p>The staff survey results will also be ready for review by the 2nd week of December and will provide some more vital information on actions we need to take as a council to create a more equitable and diverse workforce.</p> <p>Sits in standard service planning as part of BAU.</p>		<p align="center">COMPLETE Q4</p>	<p>Interim Assistant Chief Executive</p>
<p>v) Create a new system of staff performance appraisal, co-created with staff and agreed with the trade unions.</p>	<p>The appraisal system has been revised and updated to:</p> <ol style="list-style-type: none"> 1) Make it a more user friendly online system with updated e-learning guidance for completing appraisal 2) Make it more focussed on 1 to 1 and performance conversations throughout the year, rather than ratings. The process 		<p align="center">IN- PROGRESS</p>	<p>Interim Assistant Chief Executive</p>

**APPENDIX 1b - ACTION PLAN IN RESPONSE TO THE REPORT IN PUBLIC INTEREST OCTOBER 2020 – STATUS ALL ACTIONS
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	<p>considers the health and wellbeing of the appraise as well as their performance 3) Incorporate into managers appraisal a requirement that all staff be given opportunities for development 4) Include Nolan principles 5) Require all heads of service and above to complete a 360 degree feedback as part of performance appraisal.</p>			
vi) By working with Council staff, co-create an environment that is open to listening, free from fear, built on trust and openness and reflects the diverse borough that we serve.	<p>A provider for Culture Change Programme has been selected and appointed via competitive process. The successful provider is BBS who met with the Chief Executive and the Improvement Panel week commencing 22 November. The provider is due to facilitate a CMT Away-day on 10 December to initiate a programme of work.</p> <p>Development and implementation of the Culture Change programme will potentially take 12 months.</p> <p>Sits in standard service planning as part of BAU.</p>		COMPLETE Q4	Interim Assistant Chief Executive
vii) Agree a training programme for Council staff that includes finance for non-financial managers, Business Case Development, understanding risk, project management and the	<p>Training programme to be developed based on assessment of training required. Target is to deliver training in Quarter 4, 2021/22 and/or Quarter 1, 2022/23.</p>		IN-PROGRESS	Interim Assistant Chief Executive

**APPENDIX 1b - ACTION PLAN IN RESPONSE TO THE REPORT IN PUBLIC INTEREST OCTOBER 2020 – STATUS ALL ACTIONS
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Council's own governance processes.				
viii) Ensure the actions contained in this plan are supported by a corporate programme office that can provide assurance to Members.	A PMO office has been established dedicated to coordinating and supporting the delivery of key improvement actions across the Council. This includes recommendations in the MHCLG Rapid Review, the RIPI and the Croydon Renewal Plan.	It was confirmed that a Project Management Office (PMO) has been established. The Council's intranet details that, 'The PMO was set up in April 2020 to ensure the Council approach to delivering programmes and projects is both consistent and thorough.' It was also confirmed, (in completing this internal audit work to confirm the completed RIPI actions), that a Business Improvement Officer from the PMO had been specifically assigned to help coordinate and support the delivery of the RIPI actions.	PUBLISHED COMPLETE	Interim Corporate Director of Resources (Section 151)
ix) Corporate level sponsorship to be allocated to all projects to ensure clarity of responsibility for delivery.	ELT members already allocated across all actions. Further project managers to be identified to deliver the recommendations.	Examination of the RIPI action plan confirms that each action has been assigned to an ELT member.	PUBLISHED COMPLETE	Chief Executive
x) Work needs to be undertaken as a priority to understand the future model of the Council, which would inform the direction of travel in the improvement journey.	The restructure proposals approved by Full Council on 5 th July 2021 went live on 2 nd November 2021.		PUBLISHED COMPLETE	Chief Executive Officer Interim Assistant Chief Executive

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<p>xi) Council is to provide appropriate officer support is given to Scrutiny in order that it can fulfil its role.</p>	<p>Please note the actions in response to recommendation 2(v).</p> <p>While it is recognised that additional resource is required, it has not as yet been possible to obtain the necessary funding.</p> <p>Budget proposals for 2022/23 include growth of £140k for Democratic Services to help it bridge the current capacity gap. An LGA led peer review is underway to review and develop proposals to enhance the Council’s decision making governance, including support to these two committees.</p>		<p align="center">IN- PROGRESS</p>	<p>Monitoring Officer</p>
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ACTION PLAN IN RESPONSE TO THE REPORT IN PUBLIC INTEREST – June 2021 UPDATE

1. The Council has fully accepted all recommendations made by the external auditor (R1-R20)
2. The Council has added additional recommendations LBC1-4
3. There are 9 high priority recommendations from the external auditor for the Council to urgently address:

High Priority Actions	High Priority Actions
R1a Children's Social Care	R12 Revolving Investment Fund
R1b Adult Social Care	R14 Treasury Management
R2 Adequacy of Council Reserves	R18 Ongoing investment in Brick by Brick
R3 Use of Transformation Funding	R20 Governance of subsidiaries
R9 Budget Challenge/Rigour	

Overall accountability for the action plan rests with the Interim Chief Executive

ACTION PLAN IN RESPONSE TO THE REPORT IN PUBLIC INTEREST – June 2021 UPDATE

Recommendation 1a – HIGH PRIORITY The Executive Director Children Families and Education needs to address the underlying causes of social care overspends in children’s social care and take effective action to manage both the demand and the resulting cost pressures.			Summary of Internal Audit Work – Evidence Obtained and Seen
Cabinet Member Accountability: Councillor Flemming, Cabinet Member for Children, Young People and Learning			
Action	Progress made to date	Updated Deadline	
i) Develop a strategy for managing demand and expected impact / outcome and set up panels to manage activity and cost: <ul style="list-style-type: none"> - Weekly care panel to divert children from care - Bi-weekly Children Looked After review panel to identify children who can be supported to be reunited with families from care, and to systematically review higher cost placements 	<p>The Care Panel was established in February 2021. Outcomes from the care panel & new entries to care are monitored weekly at DLT.</p> <p>To build on this work further process maps are being refreshed to formalise challenge, authorisation and decision making for children in care or at risk of care. A scoping workshop to enhance multi-agency partnership provision has also been delivered in March 2021.</p>	COMPLETE	<p>The CFE Delivery plan was agreed in February 2021 following review and challenge at the Children’s Continuous Improvement Board (CCIB) and CYP Scrutiny Sub-Committee. Examination of CFE Delivery plan confirmed that this sets out the approach to continuing to manage demand and reduce costs to achieve the MTFS savings across the directorate.</p> <p>Examination of Continuous Improvement Plan (CCIP) established that MTFS for Early Help and Children’s Social Care had been embedded in CCIP 2021-2024. The CCIP plan was also reviewed and challenged at the CCIB and CYP Scrutiny in July 2021 before being finalised.</p> <p>Children Looked After Review Panel terms of Reference confirmed that the CARE panel was established to support children who have become looked after to be reunited with their. The CARE panel meets weekly chaired by a Head of Service. Actions are minuted and reviewed at each meeting. It was confirmed that the funding protocol process map for CARE Panel and Children Looked After (CLA) were established.</p>
ii) Develop a monthly Corporate Finance, Performance and Risk report to progress, track and measure activity. Specifically for Children’s social care,	The June 7 th Corporate Finance, performance & Risk report iteration will provide a final set of CRP measures, and targets set to date, as well as a	COMPLETE – first iteration of report now developed and shared. updates	Examination of the ‘Corporate Finance, Performance & Risk’ reports to the October and November 2021 Cabinet meetings confirmed that this included data on the monthly movement in

ACTION PLAN IN RESPONSE TO THE REPORT IN PUBLIC INTEREST – June 2021 UPDATE

<p>this will monitor the effectiveness of actions to reduce the number of local children in care.</p> <p>This progress report will bring together data on the monthly movement in numbers of children in care, the achievement of care outcomes, the financial impact including full year forecast, and benchmarking against best practice.</p>	<p>further update on the work streams in place to produce a full set of corporate performance reports by September 2021 Cabinet.</p> <p>The monthly reports will develop over time as recommendations are progressed.</p>	<p>are scheduled to come to Cabinet monthly</p>	<p>numbers of children in care, the achievement of care outcomes, the financial impact and benchmarking against best practice.</p>
<p>iii) The progress report will be routinely presented to the Children’s Improvement Board, Executive Leadership Team, Cabinet, General Purposes and Audit Committee and Scrutiny & Overview Committee which will bring a greater level of control and transparency (see Recommendation 5 which will also be incorporated into this process). The first report to members will be accompanied by detail outlining the statutory and non-statutory areas of service and the impact of demand management across the service.</p>	<p>The Corporate Finance, Performance and Risk report will provide an update on improvement actions across the Council including Children’s. (1a-ii)</p> <p>Training will be offered to members on the nature of statutory and non-statutory service (See LBC3 – i)</p>	<p>COMPLETE – first iteration of report now developed and shared. updates are scheduled to come to Cabinet monthly</p> <p>Training offer to be picked up under Recommendation LBC-3</p>	<p>Examination of the ‘Windows into Practice’ document confirms that the CSC Monthly Dashboard provided rolling monthly statistics on Key Performance Indicators (KPI), detailing that <i>‘the dataset includes a 12-month performance summary for key indicators and activity as well as year-on-year local authority comparative data to map performance trends. Benchmarking data for England average and statistical neighbours are included where this information is publicly available’</i>.</p> <p>Examination of the CSC Performance spreadsheet confirmed that 129 numeric indicators were being tracked monthly and examination of the Croydon Children’s Continuous Improvement Board (CCIB) meeting minutes and accompanying papers confirmed these indicators were reported to these meetings.</p> <p>Examination of the Executive Leadership Team (ELT) /Corporate Management Team (CMT) forward planner confirmed that the ‘Corporate Finance, Performance and Risk’ report was a monthly agenda item, being reported at the 4th meeting each month.</p> <p>Examination of the October and November 2021 Cabinet meetings minutes confirmed that</p>

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			<p>'Corporate Finance, Performance & Risk' reports were reported to these meetings.</p> <p>Examination of General Purpose Audit Committee (GPAC) meeting minutes and the 'GPAC Work Programme' established that the 'Corporate Finance, Performance and Risk' report had not been reported to GPAC and was not on the 'Work Programme'.</p> <p>Although reported to the 15 June Overview and Scrutiny Committee, the 'Corporate Finance, Performance & Risk' was not reported to subsequent Committee meetings and was not on the Committee's 'Work Programme'.</p>
<p>v) Data set used to inform progress report to be collated, updated and shared with GPAC to allow members to monitor progress on managing demand within social care.</p>	<p>Dataset developed and being progressed further.</p> <p>The Corporate Finance, Performance and Risk report draws upon this data and provides GPAC with the relevant information per this action.</p>	<p>COMPLETE - first iteration of report now developed and shared. updates are scheduled to come to Cabinet monthly.</p>	<p>Examination of General Purpose Audit Committee (GPAC) meeting minutes and the 'GPAC Work Programme' was unable to locate any instances of the 'Corporate Finance, Performance and Risk' report being reported to GPAC.</p> <p>It is acknowledged, as detailed in 1(a) (iv) above, that this data was initially provided to the Overview and Scrutiny Committee and regularly to Cabinet.</p>

<p>Recommendation 1b – HIGH PRIORITY The Executive Director Health, Wellbeing and Adults needs to address the underlying causes of social care overspends in adults social care and take effective action to manage both the demand and the resulting cost pressures.</p>			<p>Summary of Internal Audit Work – Evidence Obtained and Seen</p>
<p>Cabinet Member Accountability: Councillor Campbell, Cabinet Member for Families, Health and Social Care</p>			
<p>Action</p>	<p>Progress made to date</p>	<p>Updated Deadline</p>	
<p>v) Develop a monthly Corporate Finance, Performance and Risk report to progress, track and measure activity. This will include monitoring of the new</p>	<p>The June 7th Corporate Finance, performance & Risk report iteration will provide a final set of CRP measures, and targets set to date, as well as a</p>	<p>COMPLETE – First iteration of report now developed and</p>	<p>Initially reported to the June 2021 Overview and Scrutiny Committee and Cabinet meetings, the development of the 'Corporate Finance, Performance & Risk' has been an iterative progress.</p>

ACTION PLAN IN RESPONSE TO THE REPORT IN PUBLIC INTEREST – June 2021 UPDATE

<p>service delivery model to track progress and challenge effectiveness of the plan.</p>	<p>further update on the work streams in place to produce a full set of corporate performance reports by September 2021 Cabinet.</p> <p>The monthly reports will develop over time as recommendations are progressed.</p>	<p>shared. updates are scheduled to come to Cabinet monthly.</p>	<p>Examination of the 'Corporate Finance, Performance & Risk' reports to the October and November 2021 Cabinet meetings confirmed that full reports had been presented at these meetings.</p>
<p>vi) Progress will be governed by reporting to the Executive Leadership Team, Cabinet, General Purposes and Audit Committee and Scrutiny & Overview Committee which will bring a greater level of control and transparency. The first report to members will be accompanied by detail outlining the statutory and non-statutory areas of service and the impact of demand management across the service.</p>	<p>The Corporate Finance, Performance and Risk report will provide an update on improvement actions across the Council including HWA's (1b-v).</p> <p>Training will be offered to members on the nature of statutory and non-statutory service (See LBC3 – i)</p>	<p>COMPLETE – First iteration of report now developed and shared. updates are scheduled to come to Cabinet monthly.</p>	<p>Examination of the October 2021 'Corporate Performance and Finance Report confirmed that this included the improvement actions for Health Wellbeing and Adult (HWA).</p> <p>Examination of the Executive Leadership Team (ELT) /Corporate Management Team (CMT) forward planner confirmed that the 'Corporate Finance, Performance and Risk' report was a monthly agenda item, being reported at the 4th meeting each month.</p> <p>Examination of the October and November 2021 Cabinet meetings minutes confirmed that 'Corporate Finance, Performance & Risk' reports were reported to these meetings.</p> <p>Examination of General Purpose Audit Committee (GPAC) meeting minutes and the 'GPAC Work Programme' established that the 'Corporate Finance, Performance and Risk' report had not been reported to GPAC and was not on the 'Work Programme'.</p> <p>Although reported to the 15 June Overview and Scrutiny Committee, the 'Corporate Finance, Performance & Risk' was not reported to subsequent Committee meetings and was not on the Committee's 'Work Programme.'</p>
<p>vii) Ensure that cost of care tool is used effectively to track all case expenditure to improve financial</p>	<p>The Cost of Care tool referred to in has been utilised to help accurately forecast its spend to support budget setting,</p>	<p>COMPLETE</p>	<p>The '2021/22 Adult Social Care Budget Proposals' report to the Health and Social Care Sub-Committee in January 2021 confirmed that a 'cost of Care' tool</p>

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<p>control, identify areas of focus for further improvement and to enable better decision making.</p>	<p>improve financial management and identify opportunities for further savings.</p> <p>A separate tool called called CareCubed is in the process of being acquired. It is a benchmarking tool that allows adult social care to acquire an indicative cost of placing an individual aligned with their assessed care and support needs. This indicative amount is then used to aid contract negotiations with providers.</p> <p>The tool has successfully enabled savings in other Council's and will be tested in Croydon over the next 12 months. Training for staff to use tool is in planning.</p>		<p>had 'been developed to build a zero based adult social care budget and set a baseline for current activity and cost from which then to reduce to bring in line with the average level of spending in London or England as appropriate.'</p> <p>The 'Overview Of The 2021-22 Adult Social Care Financial Performance' report provided to the Scrutiny Health & Social Care Sub-Committee at the meeting held on 29 June 2021 confirms that, 'A further £0.026m transformation investment was agreed in Feb 21 for the purchase of a tool called Care Cubed. This allows the service to benchmark placements costs with other councils, enabling stronger provider negotiations.'</p> <p>The copy of the Care Cubed contract provided, confirms that, 'IESE will provide Licensee with access to CareCubed for one year from 1st April 2021 and ending on 31st March 2022' with the option to extend this.</p> <p>As evidenced by the Care Cubed Implementation Plan, the CareCubed tool was implemented as of 18th June 2021.</p> <p>A training plan for use of the tool has been established and distributed to social workers and brokerage staff.</p> <p>Examination of the CareCubed Project Board Meeting Report, dated 17th November 2021, demonstrated that outcomes from the testing of the CareCubed tool were being reported.</p>
<p>IX) Data set used to inform progress report to be collated, updated and shared with GPAC to allow members to monitor progress on managing demand within social care</p>	<p>A finance and performance workstream has been established and meets fortnightly. The key objectives for this workstream are to ensure dashboards are developed to enable the senior management team to track activity against the benchmarking forecasts set</p>	<p>COMPLETE</p>	<p>It was confirmed that a Finance, Performance and Risk report has been developed to inform on the progress of Services against identified measures. The report is provided to the CMT monthly. It is also provided to Cabinet monthly but is expected to be</p>

ACTION PLAN IN RESPONSE TO THE REPORT IN PUBLIC INTEREST – June 2021 UPDATE

	<p>out in the adults improvement plan; and against the move towards both London (younger adults) and England (older adults) averages.</p> <p>Bettergov have been commissioned to help finalise dashboard and benchmarking modelling. 2 dashboards are to be utilised one focused on activity which is complete and another on finances which is in development.</p> <p>The MTFS tracker is currently updated weekly.</p> <p>The Corporate Finance, Performance and Risk report draws upon this data and provides GPAC with the relevant information per this action.</p>		<p>received by Cabinet on a bi-monthly basis from January 2022.</p> <p>However, as detailed in previous actions, this has not been provided to the General Purpose and Audit Committee (GPAC).</p>
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<p>Recommendation 3 – HIGH PRIORITY</p>			
<p>The Chief Executive should oversee a review of the outcomes achieved from the use of transformation funding to demonstrate that the funding has been applied in accordance with the aim of the scheme.</p>			
<p>Cabinet Member Accountability: Councillor King, Cabinet Member for Croydon Renewal</p>			
<p>Action</p>	<p>Progress made to date</p>	<p>Updated Deadline</p>	<p>Summary of Internal Audit Work – Evidence Obtained and Seen</p>
<p>i) A review of all schemes previously funded from transformation capital receipts be undertaken and a report produced that assesses whether the funding has been applied in accordance with the scheme.</p>	<p>This work is completed following discussions with the external auditor. An update will be made to GPAC as part of the report on the 2019/20 accounts.</p>	<p>COMPLETE</p>	<p>This action has not been reported publicly and nor has Internal Audit been provided with evidence of this being completed.</p>

<p>Recommendation 4</p> <p>The s151 officer should set out the strategy for applying capital receipts for transformation annually as part of the budget setting process.</p>	
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ACTION PLAN IN RESPONSE TO THE REPORT IN PUBLIC INTEREST – June 2021 UPDATE

Cabinet Member Accountability: Councillor King, Cabinet Member for Croydon Renewal			Summary of Internal Audit Work – Evidence Obtained and Seen
Action	Progress made to date	Updated Deadline	
i) A strategy for funding transformation to be incorporated into the budget setting process using the current Ministry of Housing, Communities and Local Government (MHCLG) Flexible Use of Capital Receipts Scheme.	Following extension of the Flexible Use of capital receipts scheme. Proposals for the use of up to £5 million of capital receipts, subject to availability of receipts will be drafted and agreed by ELT. This should be received in w/c 7 th June.	COMPLETE	The 'Transformation Funding Strategy & 2021/22 Usage' report to full Council on 5 th July 2021 detailed that, ' <i>The Council's MTFs assumed up to £5 million of capital receipts could be utilised for transformation funding. The Council's strategy for use of flexible capital receipts is to ensure that such use remains affordable to the revenue account, taking into account the opportunity cost of otherwise funding the capital programme; ensuring such usage conforms to the requirements set out in the regulations; and delivers a positive and rapid rate of return in the level of savings delivered.</i> ' Examination of the report established that a total of 12 proposals were included.
ii) In the absence of any national capital receipts for transformation scheme, the strategy for funding transformation will set out how future schemes will be funded using invest to save principles using rolling investment that is set aside and supported by business cases that demonstrate return. Any business case will have to demonstrate governance of the programme to assure the section 151 officer and Cabinet that the deliverables are being met. All schemes approved for funding under this strategy will be assessed individually and against the overarching risk exposure and affordability for the Council.	See 4i above.	COMPLETE	See (4) i above. The 'Transformation Funding Strategy & 2021/22 Usage' report to full Council on 5 th July 2021 required that full Council: '1.2 Approve the strategy as outlined in Section 3 to use capital receipts to support the delivery of ongoing savings where such proposals meet the requirements of the Flexible Capital Receipts Regulations, deliver positive payback, and are affordable; 1.3 Approve the specific list of transformation funding schemes as set out in the body of this report and summarised in Table 1; each proposed scheme be individually approved.'

ACTION PLAN IN RESPONSE TO THE REPORT IN PUBLIC INTEREST – June 2021 UPDATE

Recommendation 5 The General Purposes and Audit Committee should receive reports on the actions being taken to address the Dedicated Schools Grant deficit and challenge whether sufficient progress is being made.			Summary of Internal Audit Work – Evidence Obtained and Seen
Cabinet Member Accountability: Councillor Flemming, Cabinet Member for Children, Young People and Learning			
Action	Progress made to date	Updated Deadline	
v) Progress against the recovery plan to be included in the monthly budget monitoring report to Children’s, Families and Education Department Leadership Team, the Executive Leadership Team, the Children’s Improvement Board and the quarterly Cabinet, General Purposes and Audit Committee and Scrutiny & Overview Committee which will bring a greater level of control and transparency.	Progress update included in the monthly budget monitoring to Education SLT and CFE DLT.	COMPLETE	<p>Examination of the ‘2021-22 -P02 CFE Directorate’ spreadsheet confirms that monthly budget monitoring occurs. This includes the Dedicated Schools Grant (DSG), High Needs and Education Monitoring, where the financial position is recorded alongside an explanation of items such as anticipated overspend, financial pressures and underspends.</p> <p>Examination of the meeting minutes dated 19th May 2021 confirmed that the budget position was being reported to the High Needs Working Group. It was also confirmed that the meeting in July involved a review of the Quarter 2 outturn, but the minutes of this meeting were not yet available.</p> <p>Examination of the Cabinet meeting minutes since March 2021 did not identify any specific presentations on the DSG recovery plan, although regular ‘financial performance reports’ were provided.</p> <p>Examination of the meeting minutes of the General Purposes and Audit Committee confirmed that an update on the DSG recovery plan was presented to the 4 March and 25 November 2021 meetings. A further update was also noted to be scheduled for the January 2022 meeting.</p> <p>Examination of the Children & Young People Sub-Committee minutes since March 2021 did not</p>

ACTION PLAN IN RESPONSE TO THE REPORT IN PUBLIC INTEREST – June 2021 UPDATE

			identify any specific presentations on the DSG recovery plan, although regular 'Service Impact and Budget update' reports were provided.
vi) Progress on Dedicated Schools Grant recovery plan to be reported to the Schools' Forum on a termly basis	Included in the forward plan of agenda items for Schools' Forum	Complete and ongoing	Examination of the minutes of Schools' Forum meetings held in 2020/21 confirmed that Dedicated Schools Grant (DSG) Recovery Plan was presented to the meeting held on 26 April 2021 and examination of the forward plan (appended to the minutes of the meeting held on 8 November 2021) for the schools forum noted that this is next due to be presented at the meeting to be held on 6 December 2021, 17 January 2022 and 7 March 2022.

Recommendation 7 The Executive Director Children, Families and Education needs to identify the capacity threshold for the numbers of UASC that it has the capacity to deliver safe UASC services to.			Summary of Internal Audit Work – Evidence Obtained and Seen
Cabinet Member Accountability: Councillor Flemming, Cabinet Member for Children, Young People and Learning			
Action	Progress made to date	Updated Deadline	
ii) Present options for the Council to deliver safe services within the capacity threshold to the Children's Improvement Board, Cabinet and General Purposes and Audit Committee and Scrutiny & Overview Committee to increase levels of control and improve transparency.	A Cabinet paper on the Council's approach to caring for UASC will be presented on June 7 th 2021.	COMPLETE	Correspondence with the Executive Officer for Children, Families and Education confirmed that the Council's approach to caring for UASC were presented to Cabinet on June 7 th 2021. Examination of the report presented confirmed that this detailed the options for the Council to deliver safe services to UASC within the capacity threshold and confirms that the capacity threshold for numbers of UASC is 66 but that Croydon was caring for 205 UASCs. The report further detailed that if the Council were to accept no new UASCs for two years whilst reducing 40 current UASCs, the number of UASC would be within capacity threshold by

ACTION PLAN IN RESPONSE TO THE REPORT IN PUBLIC INTEREST – June 2021 UPDATE

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			<p>2023/24. It was identified that this would result in a budget shortfall of £13m over the next three years.</p> <p>An ‘Accompanied Asylum Seeking Children Update’ was subsequently provided to the 13 September 2021 Cabinet meeting.</p> <p>A paper ‘Update on support for Asylum Seekers in Croydon’ was presented to the 17 November 2021 Croydon Children’s Continuous Improvement Board.</p> <p>No papers on UASC were noted as being presented to the Overview and Scrutiny Committee or the Children & Young People Sub-Committee during 2021.</p> <p>Although a presentation on UASC and the corresponding risk register entry was made in February 2021, no papers on UASC were noted as being presented to the General Purposes and Audit Committee during 2021.</p>
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<p>Recommendation 8 The Cabinet reports on the financial position need to improve the transparency of reporting of any remedial action taken to address in year overspends.</p>			<p>Summary of Internal Audit Work – Evidence Obtained and Seen</p>
<p>Cabinet Member Accountability: Councillor Young, Cabinet Member for Resources and Financial Governance and Councillor King, Cabinet Member for Croydon Renewal</p>			
<p>Action</p>	<p>Progress made to date</p>	<p>Updated Deadline</p>	
<p>i) A review of financial reporting best practice is to be undertaken and the results used to design reports and a system of reporting that will improve its approach to managing finance, performance and risk to introduce a greater level of transparency and better grip of expenditure. All departments will</p>	<p>A process for monthly reporting is being developed with the period 1 report to come to Cabinet June 7th 2021. These reports will develop iteratively over the coming months.</p> <p>See recommendation 8 – ii for further information on performance monitoring.</p>	<p>COMPLETE</p>	<p>The ‘Croydon Renewal and Improvement Plan - Performance Reporting Framework & Measures; report initially on 12th April 2021 and then the subsequent updates to Cabinet on 7th June and 26 July 2021 provided, ‘an update on the implementation of the Council’s Corporate Performance Action Plan and development of the associated performance reports as agreed at</p>

ACTION PLAN IN RESPONSE TO THE REPORT IN PUBLIC INTEREST – June 2021 UPDATE

<p>be required to report against their budgets to the Departmental and Executive Leadership Teams on a monthly basis.</p>			<p>Cabinet on the 12 April 2021. The performance, finance and risk report (appendix A) will improve the corporate performance offer by providing timely and accurate performance data on programme / project status, performance against Corporate Renewal Plan KPI's, and progress against the delivery of financial savings.'</p> <p>It is noted that the development of the report is an iterative process, with a report detailing the four areas of programmes, finance and risk expected to become available in September 2021.</p> <p>This was in addition to the regular 'Financial Performance Report' being provided to Cabinet.</p>
<p>ii) The Council will develop a new corporate framework for monthly reporting that includes finance, performance and risk. This will report to the Executive Leadership Team, Cabinet, General Purposes and Audit Committee and Scrutiny and Overview Committee as appropriate. The new framework will include progress against service delivery, departmental actions plans, savings opportunities and actions contained within the Croydon Renewal Plan. All actions will be assigned to accountable people (including relevant cabinet member) and will be tracked through a central reporting team to ensure that the process is joined up, consistent and timely. This will be a recognised Programme Management Office function using savings and actions trackers.</p>	<p>The Council has developed a new Corporate framework to deliver monthly Corporate Finance, Performance and Risk update reports. These monitor implementation of improvement actions across the Council (including those contained in the RIPI and as part of the CRP) and set out KPIs and accountable officers.</p> <p>The PMO presented an approach to monthly Corporate, Finance, Performance Risk Reporting to Cabinet on April 12th.</p> <p>The June 7th Corporate Finance, performance & Risk report iteration will provide a final set of CRP measures, and targets set to date, as well as a further update on the work streams in place to produce a full set of corporate performance reports by September 2021 Cabinet.</p>	<p>COMPLETE – first iteration of report now developed and shared. updates are scheduled to come to Cabinet monthly</p>	<p>Examination of the Executive Leadership Team (ELT) /Corporate Management Team (CMT) forward planner confirmed that the 'Corporate Finance, Performance and Risk' report was a monthly agenda item, being reported at the 4th meeting each month.</p> <p>In addition to the updates to the 12th April, 7th June and 26 July 2021 Cabinet meetings, 'Corporate Finance, Performance & Risk' reports were confirmed to be reported to the October and November 2021 Cabinet meetings.</p>

ACTION PLAN IN RESPONSE TO THE REPORT IN PUBLIC INTEREST – June 2021 UPDATE

	The monthly reports will develop over time as recommendations are progressed.		
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Recommendation 19 The s151 officer and monitoring officer should monitor compliance with loan covenants with Brick by Brick and report any breaches to Members.			Summary of Internal Audit Work – Evidence Obtained and Seen
Cabinet Member Accountability: Councillor King Cabinet Member for Croydon Renewal			
Action	Progress made to date	Updated Deadline	
i) Loan covenants are within scope of the PwC strategic review and will be considered as part of the overall recommendations. A review of the existing loan covenants and their governance is to be undertaken. Learning from this review, a new system of control for all loan agreements entered into by the Council will be presented to Members and this will form part of the new Corporate Finance, Performance and Risk reporting system. The review and the proposed new system for loan covenants will be presented to GPAC & Scrutiny and Overview Committee prior to being presented to Cabinet for approval.	Loan agreements to be redrafted to provide a comprehensive single agreement. The February Cabinet report agreed that detail of the revised loan scheme be delegated to the Chief Executive after consultation with the leader and appropriate lead members.	COMPLETE	The 'Treasury Management Strategy Statement, Capital Strategy, Minimum Revenue Provision Policy Statement and Annual Investment Strategy 2021/2022' presented to the February 2021 Cabinet meeting detailed that, ' <i>The RIF [Revolving Investment Fund] also acted as a funder to the Council's Housing Development Company Brick by Brick, enabling the development of homes in the Borough. The Council has commissioned a review of the RIF which was reported to the Cabinet in November 2020. No new investments other than a loan for working capital to Brick by Brick will be made in 2021/22.</i> ' There is no evidence of the review and proposed new system for loan covenants being presented to GPAC & Overview Committee prior to being presented to Cabinet for approval. No clear metrics have been provided for the proposed system governing loan covenants as forming part of the new Corporate, Finance, Performance and Risk reporting system.

ACTION PLAN IN RESPONSE TO THE REPORT IN PUBLIC INTEREST – June 2021 UPDATE

LBC Recommendation 1 Given the challenges ahead there will need to be improvement of the Council's approach to risk management to enable a satisfactory turnaround of the financial position.			Summary of Internal Audit Work – Evidence Obtained and Seen
Cabinet Member Accountability: Councillor King Cabinet Member for Croydon Renewal			
Action	Progress made to date	Updated Deadline	
ii) Corporate Finance, Performance and Risk management to be combined into one reporting function to remove silo thinking and increase the rigour to enable delivery of services, savings plans and the overarching Improvement Plan. This will require one new unified system of corporate reporting.	<p>PMO developing initial Corporate Finance, Performance and Risk report. These reports will be developed monthly and will provide updates from across the Council on key KPIs. A Cabinet report on the process of reporting was provided on April 12th 2021.</p> <p>The June 7th Corporate Finance, performance & Risk report iteration will provide a final set of CRP measures, and targets set to date, as well as a further update on the work streams in place to produce a full set of corporate performance reports by September 2021 Cabinet.</p> <p>The monthly reports will develop over time as recommendations are progressed.</p>	<p>COMPLETE</p>	<p>Please also refer to 8(i) above.</p> <p>The 'Croydon Renewal and Improvement Plan - Performance Reporting Framework & Measures; report initially on 12th April 2021 and then the subsequent updates to Cabinet on 7th June and 26 July 2021 provided, 'an update on the implementation of the Council's Corporate Performance Action Plan and development of the associated performance reports as agreed at Cabinet on the 12 April 2021. The performance, finance and risk report (appendix A) will improve the corporate performance offer by providing timely and accurate performance data on programme / project status, performance against Corporate Renewal Plan KPI's, and progress against the delivery of financial savings.'</p> <p>It is noted that the development of the report is an iterative process, with a report detailing the four areas of programmes, finance and risk expected to become available in September 2021.</p> <p>This was in addition to the regular 'Financial Performance Report' being provided to Cabinet. The progress of developing Corporate Finance, Performance and Risk report (FPR) and a draft copy of FPR is reported in the Cabinet meeting on 12th April 2021 and 7th June 2021.</p> <p>Complete 'Corporate Finance, Performance & Risk' reports were confirmed to be reported to the October and November 2021 Cabinet meetings.</p>

ACTION PLAN IN RESPONSE TO THE REPORT IN PUBLIC INTEREST – June 2021 UPDATE

vi) Councillors to be provided overview of Council risk function and how risks are constantly monitored and updated in the organisation	Cabinet training workshop took place in January 2021. The action is complete therefore but will need to be developed further to ensure that proper attention to changing financial position is considered throughout the year. Officers will look at opportunities to provide key learning to members through refreshed work programme for 2022.	COMPLETE	Examination of the minutes of the Ethics Committee and the learning and update reports to the Committee has been unable to locate any mention of a risk workshop being provided to members.
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LBC Recommendation 2 Clarifying member and officer roles to support good governance arrangements			Summary of Internal Audit Work – Evidence Obtained and Seen
Cabinet Member Accountability: Councillor Young Cabinet Member for Resources and Financial Governance			
Action	Progress made to date	Updated Deadline	
Page 343 iii) A review of the member and officer Codes of Conduct will be undertaken to incorporate any learning from recent events and to ensure that they explicitly include the seven principles of public life, known as the Nolan principles, as the basis of the ethical standards expected of elected and appointed public office holders.	The Local Government Association Code of Conduct 2020 was reported into Ethics Committee in February 2021. Members asked for a gap analysis to come back to the committee in April to inform any potential future changes. This Gaps Analysis was provided to Councillors at the May 26 th Ethics Committee. This is linked to LBC2 - ii.	COMPLETE	Examination of the minutes of the Ethics Committee meeting held on 11 th February 2021 confirmed that LGA’s new model Code of Conduct was presented at the meeting and that members asked for a gap analysis to come back to the committee in April to inform any potential future changes. Examination of the minutes of the subsequent Ethics Committee meeting held on 26 th May 2021 confirmed that the completed gap analysis was reported. The member Code of Conduct was then approved at the 11 October 2021 full Council meeting. The officer Code of Conduct is yet to be approved.

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For General Release

REPORT TO:	CABINET 21st March 2022
SUBJECT:	Quarterly update on progress of performance for Brick by Brick Croydon Ltd.
LEAD OFFICER:	Katherine Kerswell – Chief Executive Officer Jane West - Corporate Director of Resources and Section 151 Officer
CABINET MEMBER:	Councillor Hamida Ali - Leader of the Council
CORPORATE PRIORITY/POLICY CONTEXT	
Delivery of the Croydon Renewal plan, to minimise the financial impact to the Council of Brick by Brick Croydon Ltd and to report on progress on delivery of actions previously identified.	
FINANCIAL IMPACT	
This report provides a progress update on Brick by Brick Croydon Limited	
FORWARD PLAN KEY DECISION REFERENCE NO.:	
None, the report is an update only with no decisions.	

<p>1. CABINET RECOMMENDATIONS</p> <p>Cabinet is asked to note the following key areas (acting, where relevant, on behalf of the Council exercising its functions as sole shareholder of Brick by Brick Croydon Ltd) to:</p> <p>1.1 The Brick by Brick Shareholder Cabinet Advisory Board has met on a number of occasions with representatives of the Board since the last update in November 2021.</p> <p>1.2 To note that Brick by Brick Croydon Ltd has not needed to call upon the additional £10m working capital facility that was requested within July 2021 Cabinet Report.</p>
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2. EXECUTIVE SUMMARY

- 2.1 The purpose of this report is to provide Cabinet with a progress update on Brick By Brick Croydon Ltd (BBB).
- 2.2 The key areas of update this report details are:

- 2.2.1 Progress on disposal of 6 Sites.
 - 2.2.2 Progress on delivery of the 23 sites
 - 2.2.3 Update on sales generally
 - 2.2.4 Update on the Council's acquisition of 104 residential units from Brick by Brick and bulk sales to other registered providers.
- 2.3 It is further noted that there have been a number of structural changes within the operation of the company during the period from the last report, not least with the successful process on the appointment of new Non-Executive Directors.

3. Disposal of 6 Sites

Five of the six current sites are currently on the market with the sales process anticipated to be effected in the coming months. The Belgrave and Grosvenor site is being considered by the Council to revert to its ownership.

In the monthly shareholder and lender reports Brick By Brick has reported good progress for this process.

4. Progress update on delivery of 23 sites and general sales

- 4.1 Brick by Brick continues to make effective progress on delivering their schemes, 21 of the 23 sites have or are close to practical completion.
- 4.2 Brick By Brick is now in detailed discussions with main contractors on Final Accounts for these developments, a positive step in concluding these developments.
- 4.3 Despite the wider issues facing the construction market in summer/autumn on the price of core construction materials and sourcing and availability of products, there has been no material effect on the delivery of these sites by the main contractors.
- 4.4 Of the two sites that will run into the next financial year, Kindred House and Lion Green Road, progress remains good, with the un-wrapping of Kindred House and removal of external scaffolding currently underway.
- 4.5 Of the 128 units in Kindred House, 60 units were launched for sale in February, prior to practical completion.
- 4.6 Since the last report, of the units BBB had, 193 of 355 homes had completed sales/occupation. Since then a further 44 have sold with now only 25 being available, the reminder now being reserved.
- 4.7 The company remains projected to deliver 752 residential units, 337 being expected to be affordable homes.

5. Council's acquisition of 104 units from Brick by Brick and 'bulk sales' progress.

- 5.1 Exchange for these 104 homes took place on 4th March with completion anticipated for all but six of these homes before the end of March 2022.
- 5.2 In addition to this there are another 61 units being purchased by a private Registered Provider, securing these affordable homes within the borough for anticipated occupation during March and April 2022.

6. Financial Update

- 6.1 It is important to note that whilst in the May Cabinet report Cabinet approved that the Council enter into an additional £10m working capital loan facility, that facility has not been entered into as Brick by Brick have felt comfortable managing their cash position from existing receipts.
- 6.2 The Council has been receiving monthly financial information from Brick by Brick as required under the Revised Loan Agreement and in order for the company to fulfil its duties to the shareholder function; progress on the finances are presented to the Brick by Brick Shareholder Cabinet Advisory Board on a monthly basis.
- 6.3 The financial position remains stable for the current time with nothing adverse to report from the loan agreements, being on track with the business plan at the end of the current financial period, with sufficient working capital remaining within the company to complete the final two sites.

7. CONSULTATION

- 7.1 No formal consultation has been made on this report, other than factual accuracy checks with external third parties including with the Directors of Brick by Brick.

8. FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

- 8.1 There are no direct costs associated with this report. However, as previously indicated, in the event that not all debt held with Brick by Brick is paid off the Council will need to carry that debt for a period of 40 years and pay for it using the Minimum Revenue Provision. This will be an opportunity cost for the revenue budget as revenue resources will be used to pay down the debt rather than used for services.

9. LEGAL CONSIDERATIONS

The Interim Head of Commercial and Property Law comments on behalf of the Interim Director of Law & Governance that the contents of this report are for Cabinet to note, no decisions are requested from Cabinet.

10. HUMAN RESOURCES IMPACT

- 10.1 There are no immediate HR considerations in this report for Council employees or staff. If any should arise these will be managed under the Council's policies and procedures.

Approved by Gillian Bevan, Head of HR Resources, on behalf of the Director of Human Resources

11. EQUALITIES IMPACT

11.1 There are no equalities impacts arising from this report. However, the implications of the issues raised and how they are addressed may have an effect on the medium term financial plan. Any subsequent savings plans that have a staffing impact or impact on vulnerable and/or groups that share a protected characteristic will be subject to agreed HR procedures, formal consultation and equality analysis.

12. ENVIRONMENTAL IMPACT

12.1 There are no environmental impacts arising from this report

13. CRIME AND DISORDER REDUCTION IMPACT

13.1 There are no Crime and disorder reduction impacts arising from this report

14. REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

14.1 There are no decisions being made by this report.

15. OPTIONS CONSIDERED AND REJECTED

15.1 There are no decisions being made by this report, thus no alternatives are being considered.

16. DATA PROTECTION IMPLICATIONS

16.1 **WILL THE SUBJECT OF THE REPORT INVOLVE THE PROCESSING OF 'PERSONAL DATA'?**

NO

16.2 **HAS A DATA PROTECTION IMPACT ASSESSMENT (DPIA) BEEN COMPLETED?**

NO

CONTACT OFFICER: Peter Mitchell

APPENDICES TO THIS REPORT: None

CABINET REPORT

REPORT TO:	CABINET 21 March 2022
SUBJECT:	Finance, Performance & Risk performance report (Croydon Renewal and Improvement Plan) -
LEAD OFFICER:	Gavin Handford, Director of Policy, Programmes & Performance Caroline Bruce, Head of Business Intelligence & Performance
CABINET MEMBER:	Councillor Hamida Ali, Leader of the Council
WARDS:	All

SUMMARY OF REPORT

The Finance Performance & Risk report in Appendix A, provides timely and accurate performance data on

- programme / project status
- performance against Corporate Renewal Plan measures
- progress against the delivery of financial savings
- any risks associated with these deliverables, as well as the impact to corporate risks.

In addition, it reports progress and issues related to the delivery of the Croydon Renewal Plan, and associated performance reports as agreed at Cabinet on the 12 April 2021. The report, in appendix A, reviews performance based on latest available data as of 31 December 2021. It should be noted that the 31 December 2021 is a snapshot in time and that not all data will relate to this time period due to time lags on data availability etc.

The report is produced and presented on a monthly basis to Departmental and Corporate Management Teams, and Cabinet Members on a bi-monthly basis to allow check and challenge of performance.

Year end performance will be reported at the 8 June meeting together with the refreshed measures for 2022/23 based around the corporate priorities and refreshed Corporate Renewal Plan.

FINANCIAL IMPACT

There are no direct financial implications arising from this report.

FORWARD PLAN KEY DECISION REFERENCE NO.: This is not a key decision

The Leader of the Council has delegated to the Cabinet the power to make the

decisions set out in the recommendations below:

1.RECOMMENDATIONS

- 1.1 Review the Finance, Performance & Risk report (appendix A) as of 31 December 2021(unless otherwise stated) with regard to overall performance against the Croydon Renewal Plan. Review areas of good performance and those of concern.
- 1.2 Note plans in place to address current and future performance for Freedom of Information and Subject Access Requests (section5).
- 1.3 Note the progress made, and areas of concern, against programmes and projects in relation to milestones, deliverables and issues.
- 1.4 Note the progress made, and areas of concern against savings and growth targets as identified in the Croydon Renewal Plan. More detail on this area can be found in Table 2a of the Financial Monitoring Report also being presented at this Cabinet meeting.
- 1.5 That Cabinet identify areas of performance within the FPR report (appendix A) where they require deeper analysis to be presented at a future Cabinet for discussion and action.

2. EXECUTIVE SUMMARY

- 2.1 The Croydon Renewal Plan, sets out how the Council will respond to the various reviews and recommendations that have highlighted substantial need for improvements. The Improvement Plan has also identified key areas of focus which are essential to changing the overall culture of the Council to one that is evidence led, manages resources well, and is open and transparent with stakeholders.
- 2.2 The Finance, Performance & Risk report detailed in appendix A of this report, reviews the areas of project and programme delivery, and the measures used to monitor delivery of the actions detailed within the CRP plan, as well as monitoring the performance of the organisation. The report reviews the period up to and including 31 December 2021. It should be noted that where measures are subject to a reporting time lag the latest available data has been included; this may not correspond with the reported time period.

3. Background

- 3.1 Cabinet and Council agreed in September 2020 to the development of the Croydon Renewal and Improvement Plan (CRP) which incorporates a financial recovery plan, the submission to MHCLG to secure the necessary capitalisation direction as part of that financial recovery, a corporate Improvement Plan to deliver the required changes to ensure the financial investment and rebalancing of the budget is sustainable.
- 3.2 On 12 April 2021 a report was presented to, and approved by cabinet, detailing a suite of indicators and a range of actions to create a corporate performance framework. This reporting mechanism ensures that what the data is telling us is visible to everyone and open to challenge.

3.3 At the Cabinet meeting on the 15 November 2021 it was agreed that the frequency of reporting would change from monthly to bi-monthly.

4.0 Corporate Finance, Performance & Risk (FPR) report (appendix A)

4.1 This report reviews our performance against the delivery of the actions within the CRP providing Members, the Corporate Management Team, Directors, Overview & Scrutiny and Residents with information on the status of major programmes and projects, delivery of financial savings, progress of against performance indicators and risks associated to non delivery. This, and historical performance reports monitoring the progress against the CRP and presented to Cabinet can be viewed at <https://www.croydon.gov.uk/council-and-elections/freedom-information-and-corporate-performance/corporate-performance>

4.2 **Performance Indicators (PI's)** - Regular review and monitoring against the agreed performance measures. Impact performance will have against finance, risk and programme deliverables.

4.2.1 There are currently 119 PI's which form the framework for the CRP. The performance report in appendix A, gives an overview of current performance, areas doing well and those which require more attention. In addition, for reference, the back of the report details all 119 measures within the framework, with service commentary (where supplied) as to the actions in place to address under performance. These are listed by department and division for ease of reference. PI's which are at, or above target will receive a green status, those within 10% of target an amber status and those which are operating below target a red status. Where a measure has no target, either because it is not appropriate to set one or we are still benchmarking the measures, the RAG status will be shown as grey. Where a measure has no data or target at the moment, the RAG status will be shown as black.

4.2.2 **Project & Programmes** - Monitoring of milestones, deliverables and issues

4.2.3 Details of each individual project are collated within "LBC Delivery Tracker", with corresponding MS Teams cards to track progress at a granular task level. The tracker allows for centralised, regular, monitoring of both progress and confidence in delivering the projects that make up the programmes of the CRP.

4.2.4 Three year Croydon Renewal Plan - April 2021 to March 2023

Within the tracker, there are now 476 actions, representing the three year plan, this includes the nine recommendations from the ARK report linked to Croydon's Housing Improvement Plan.

4.2.5 Action status across full three year programme as of 08/02/2022:

To date 173 Renewing Croydon Programme actions are marked as complete, 124 relate to the 21/22 Medium Term Financial Strategy Programme. Please refer to the Financial Performance Report also presented at this Cabinet.

- 83.8% of all actions are in progress (399 of 476)

Actions not yet underway have defined start dates across the full three years of the programme

- 4.2.6 Appendix A of this report provides an overview update against each of the programmes.
- 4.2.7 **Financial savings** - Savings and growth targets, as identified within the MTFS project of the Croydon Renewal Plan, are £82.563m and £132.563m respectively. Breakdown of the savings and risk were previously provided to Cabinet in March 2021 under Appendix A.
- 4.2.8 The Financial Monitoring Report for period 10 of the 2021/22 financial year, being presented to Cabinet on 21 March 2022, details projects that are at risk of delivery. Table 2a of the Financial Monitoring Report provides full details of MTFS savings risks with a brief commentary of the projects that are at risk of delivery. To date, there are £5.253m worth of savings that are identified as not deliverable. Services are currently carrying out further work to ensure these can be delivered or otherwise mitigated. So far, no specific mitigations have been fully identified. Directorates are working up proposals to bring these savings at risk back on track. If these savings are deemed to be definitely non-deliverable they will be factored into the monthly forecast and incorporated into the forecast outturn position.
- 4.2.9 **Risk** - This report will monitor the risk to the delivery of the CRP actions and savings and the potential impact against corporate risks and mitigation in place. There are currently 133 risks on the strategic risk register. These are cross referenced monthly against the PMO risk register monitoring the risk to delivery of projects and the impact against these strategic risks.
- 4.2.10 All corporate risks are currently reviewed with DMT's on a quarterly basis, with red risks being reviewed on a monthly basis by CMT to allow for horizon scanning and challenge. Review dates will be synchronised across the council, to ensure synergy with the reporting timetable for the Finance Performance and Risk report which goes to DMT and CMT on a monthly basis and to Cabinet bi-monthly. This will allow the review of risks to take place against the overall performance of the council and help to identify any potential impact. It is expected that this combined reporting cycle will commence in quarter 2 2022/23.
- 4.2.11 **Analysis and Benchmarking** - As detailed in previous reports to Cabinet, the FPR report will seek to provide further analysis and benchmarking into areas where Cabinet requires more focus on areas within the report noted as underperforming in order to allow the necessary check and challenge. Cabinet is asked to review the report and identify the area/s they wish to review as part of the September FPR report which will be presented to Cabinet.

5 Freedom of Information (FOI) and Subject Access Requests (SARs)

- 5.1 The FOI/ SAR function was transferred to CDS in October 2021. At this point there was an increasing backlog of outstanding requests over the statutory

deadlines and an increasing number of both corporate and Information Commissioner’s Office (ICO) complaints being received.

5.2 A review and action plan have been devised to bring the service performance under control by June 2023. With these key objectives:

- Reduce the increasing backlog and bring down complaints (ICO and Corporate)
- Improve the current internal processes, make information accessible, and embed clear roles and responsibilities across the organisation.
- Review the organisational model of the team to sustain improved performance rate.
- Improve performance and meet statutory deadlines for both FOI and SAR.

5.3 The immediate actions that have been taken to address the high risk factors and improve performance quickly are:

- Approved budget for immediate measures.
- Inject temporary resource into the team (Previous team of 2 FTE is currently 7FTE and a manager).
- Increased communication with requestors and the ICO to ensure that all are aware of the improvements being made and any delays incurred.
- Review the current process to remove inefficiencies and work with high request areas.
- Implement regular weekly reporting to review and track progress, identify trends.
- Utilise exemptions at the earliest opportunity and upskill individuals across the organisation.

5.4 Currently we have managed to increase the resource within the team by 5 FTE until the end of March 2022. We have improved communication with all requestors to ensure that they are aware of the teams current working constraints. We are also providing new deadlines for all cases that are being worked on. The table below shows the number of outstanding cases has reduced significantly.

	November 2021	February 2022
Outstanding FOI	1477	589 (40% reduction)
Outstanding SAR	308	161 (52% reduction)

5.5 To ensure the sustained performance going forward, we will

- Create and embed; strategy and policy for the Council’s position on information governance which will support the enhanced service for FOI and SAR
- Seek to benchmark Croydon’s performance, policy and process against other Local Authorities.

- Review the operating model for the service to ensure that it is able to deliver and sustain an improved performance, including roles and responsibilities.
- Review the current technology used to support this process (Case management system, file transfer software).
- Publish more data openly to support utilising exemption 21 (Information accessible by other means) create publication scheme.
- Create guidance on refusal of a request, considering cost/ time restrictions (Over 18 hour to respond, what constitutes a vexatious request, repeat requests).

6.0 Departmental and statutory performance reporting – These reports continue to be presented to all Departmental Leadership Team meetings with the latest review taking place on the 16 and 23 February 2022. This process continues on a monthly basis. Corporate Directors / Directors are responsible for discussing the contents of departmental and statutory performance reports with the relevant Cabinet Member to ensure line of sight and accountability.

7.0 Independent non- statutory review

7.1 An independent non-statutory review was carried out in November 2020 for the Ministry for Housing, Communities and Local Government (MHCLG as was). The 2020 independent non-statutory rapid review report focused on themes aligned to Best Value principles:

- Governance
- Culture and leadership
- Financial stability
- Services
- Capacity and/or capability to improve,

7.2 Following the review, a set of recommendations were suggested by the review panel. These were accepted by the council and incorporated into the Croydon Renewal Plan.

7.3 The Council invited the independent rapid review team back to review progress on recommendations and produce a report outlining their opinion to the council on these matters. The follow up review took place between the 18 October to 7 November 2021, with a report on the outcomes going to Cabinet in December 2021.

<https://democracy.croydon.gov.uk/documents/s34105/Appendix%201%20-%20Independent%20Non-Statutory%20Review%20Follow-Up.pdf>

7.4 The report provides update on progress over the year (2020/21) and areas where more focus is required. The corporate Programme Management Office are currently working through the findings to produce an action plan which will be incorporated into the refreshed Croydon Renewal Plan.

8.0 Reporting for 2022/23

8.1 Work has begun to review the current PI's within the FPR report (appendix A)

to ensure that the existing performance measures within the CRP framework continue to be fit for purpose in ensuring that the correct outputs are being met and actions delivered on. In addition, it is important that measures reflect the Council's priorities for the coming year, as well as the refreshed Corporate Renewal Plan.

- 8.2 The Business Intelligence and Performance service will work with directorates to ensure that the measures are fit for purpose, measurable, realistic but challenging, and where possible can be compared to the performance of other London Boroughs, London and Nationally.

9.0 REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

- 9.1 It is essential that the Council takes steps to ensure that a robust performance management plan and framework are in place, alongside the work of the Programme Management Office, Finance and Risk. Delivery against the actions in the CRIP and sustainable improvements in services are unlikely to happen without it.

10.0 OPTIONS CONSIDERED AND REJECTED

- 10.1 None.

11. FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

- 11.1 There are no direct financial implications arising from this report. There will be financial implications associated with the delivery of the projects and actions within the Croydon Renewal and Improvement Plan which have been factored into the Medium Term Financial Strategy. The delivery of these projects and actions, and the resulting savings is essential. It is therefore critical that effective monitoring and reporting is in place.

Approved by: Matthew Davis, Head of Finance, (Deputy S151 Officer)

12.0 LEGAL CONSIDERATIONS

- 12.1 The Head of Litigation and Corporate Law comments on behalf of the Director of Law and Governance that section 3(1) of the Local Government Act 1999 requires the council as a best value authority 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. Monitoring of performance information and acting on the findings are an important way in which that obligation can be supported.

- 12.2 For the purpose of deciding how to fulfil the duty arising under subsection (1) an authority must consult—
- (a) representatives of persons liable to pay any tax, precept, or levy to or in respect of the authority,
 - (b) representatives of persons liable to pay non-domestic rates in respect of any area within which the authority carries out functions,
 - (c) representatives of persons who use or are likely to use services provided

by the authority, and
(d) representatives of persons appearing to the authority to have an interest in any area within which the authority carries out functions.

- 12.3 In deciding how to fulfil the duty arising under section 3 (1), who to consult under section 3 (2), or the form, content, and timing of consultations under that subsection, an authority must have regard to any guidance issued by the Secretary of State. The most recent version of this guidance was published in March 2015:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/418505/Revised_Best_Value_Statutory_Guidance_final.pdf

- 12.4 Any legal implications arising in relation to individual actions will need to be dealt with as projects and decisions come forward for approval.

Approved by: Sandra Herbert Head of Litigation and Corporate Law for and on behalf of the interim Director of Law and Governance and Deputy Monitoring Officer.

13.0 HUMAN RESOURCES IMPACT

- 13.1 Key to delivery of the Croydon renewal and Improvement Plan will be to retain and invest in a skilled workforce, who are enabled and engaged through a positive organisational culture. The council's workforce strategy is aligned to the Croydon Renewal & Improvement Plan and supports building the workforce skills and capacity for the future.

- 12.2 Any planned service changes through informed review, will be subject to the council's organisational change procedure and consultation with staff and trade unions.

Approved by: Elaine Jackson, Interim Assistant Chief Executive.

14.0 EQUALITIES IMPACT

- 14.1 In April 2011 the Equality Act (2010) introduced the public sector duty which Extends the protected characteristics covered by the public sector equality duty to include age, sexual orientation, pregnancy and maternity, and religion or belief.

- 14.2 Section 149 Equality Act 2010 requires public bodies to have due regard to the need to:

- eliminate unlawful discrimination, harassment, victimisation and any other conduct prohibited by the Act;
- advance equality of opportunity between people who share a protected characteristic and people who do not share it; and
- foster good relations between people who share a protected characteristic and people who do not share it.

- 14.3 Having due regard means consciously thinking about the three aims of the Equality Duty as part of the process of decision-making. This means that decision makers must be able to evidence that they have taken into account

any impact of the proposals under consideration on people who share the protected characteristics before decisions are taken. Equalities impact assessments will be a key part of our governance framework for the Improvement Board, with direct input from the Council's Equality & inclusion Manager.

Approved by: Gavin Handford, Director of Policy, Programmes & Performance

15.0 DATA PROTECTION IMPLICATIONS - WILL THE SUBJECT OF THE REPORT INVOLVE THE PROCESSING OF 'PERSONAL DATA'?

15.1 No - The Director of Policy, Partnership comments that there are no data protection implications arising from the contents of this report

Approved by: Gavin Handford, Director of Policy & Partnership.

16.0 REASONS FOR RECOMMENDATIONS/ PROPOSED DECISION

16.1 It is essential that the Council takes steps to address the necessary improvements required to enable Croydon Council to be a financially sustainable council delivering value for money efficient and effective services.

CONTACT OFFICERS:

- Caroline Bruce, Head of Business Intelligence & Performance
- Craig Ferguson, Business Insight Manager

APPENDICES TO THIS REPORT

- Appendix A – Finance Performance and Risk report – Latest available data as of 31 December 2021.

BACKGROUND PAPERS

- Croydon Renewal and Improvement Plan
- Independent non -statutory review, London Borough of Croydon, one year on.
- <https://democracy.croydon.gov.uk/documents/s34105/Appendix%201%20-%20Independent%20Non-Statutory%20Review%20Follow-Up.pdf>

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Finance, Performance & Risk report

Better
information

Better
understanding

Better
decisions

Better
outcomes

Contents

1. Report summary
2. Croydon Renewal Plan – *performance measures*
3. Croydon Renewal Plan – *projects & programmes*
4. Croydon Renewal Plan – *savings*
5. Organisational Health
6. Risk
7. Croydon renewal plan performance measures – All (*for reference in departmental order*)

1. Report summary

- Overall performance of corporate renewal plan indicators shows that 61% of measures monitored are on track (green) or just below (amber). Performance has remained stable since the last reporting period (October 2021). It is unlikely that those measures currently not meeting target (40 Pi's, 34%) will do so by the end of the financial year / reporting period.
- Performance continues to be reviewed, checked and challenged by Departmental Management Teams and the Corporate Management Team on a monthly basis. The last review took place on 16 February and 8 March 2022 respectively.
- **Homelessness** - Performance continues to exceed target in the areas of homelessness prevention. Homelessness cases prevented, homelessness cases relieved, homelessness cases assisted by intervention and the total number of households in temporary accommodation continue to perform well
- **Street lighting** performance and maintenance (% of lights in light) continues to perform above target with almost 100% (99.87%) in light. Performance has been consistent throughout the year.
- **Hate crime** - offences 12 months rolling to Dec 2021 rate per 1,000 is 2.61 which is currently lower than the London average of 2.99.
- **Responsive Repairs (RR)** % of RR on time (GB), combined Immediate & Out of hours and % of RR on time (GB), Emergency-P1 (1 day) continue to perform at 100%. Performance has been below target for several months % of RR on time (15 days) and % of RR on time (GB), (60 days) but is beginning to improve. Performance has been affected by a number of factors, primarily contractor resources. The number of urgent and emergency jobs raised are higher than usual, which is drawing resources away, this also affects performance.

Report summary cont.

- **Customer contact**

- Issues with the current telephony system continue to effect the number of residents that ended the call before we have spoken to them, and the average wait time. A new provider has been chosen and work to implement both a new contact centre telephony system and a council wide telephony upgrade and refresh has commenced.
- The % calls answered by Axis Contact Centre (housing) has increased performance by 12% since the last reporting to 92% against a target of 95%. There is an action plan in place to address the previous low performance and this is started to provide positive results.

- **Violence with injury offences** rate per 1,000 population has seen a sharp increase in non-domestic violence with injury linked to the night-time economy, especially in the town centre in October 2021.

Partnership working with the Police continues to target specific areas to reduce offences.

- **Building Control** - Performance remains below target for, % of Major applications processed in time and % of Minor planning applications processed in time. This is due to staff shortages (LBC have only 40% of the surveyors required) and the ability to recruit is challenging, due to tough competition from the private sector.
- **Freedom of Information (FOI)** requests - In December, 38 out of 99 (38%) of FOI requests were responded to within statutory timeline. This is a further drop in performance for the fourth consecutive month. The target has not been met this year and is unlikely to be met by the end of the 2021/22 reporting period. Urgent action is being taken to improve, performance by bolstering the team to clear the backlog and reshape the process within new Digital & Resident Access division.

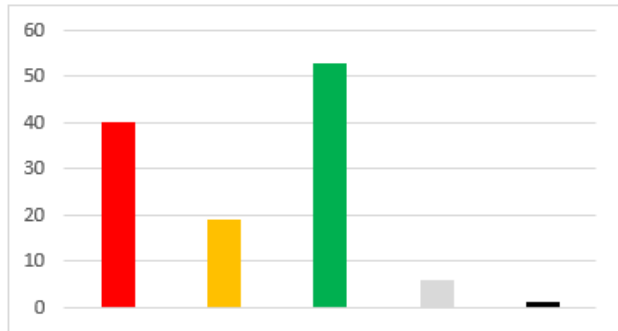
Report summary cont.

- **MTFS** - Four Projects within the savings programmes are identified as red. The increase of one project relates to CFE Sav 09a- Review Children's Centres Delivery Model: A pressure of £118k. Cabinet are advised to review those projects currently showing as Amber to ensure there are sufficient actions plans in place to mitigate any further risks to delivery.

2. Croydon Renewal Plan – performance

Performance measures – RAG status overall

CROYDON TOTAL December 2021

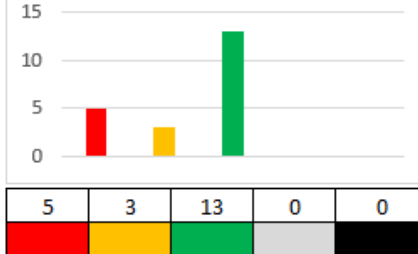


40	19	53	6	1
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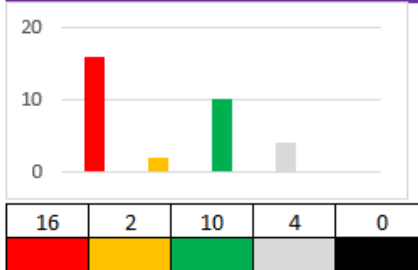
RAG Status key

RED (R)	<ul style="list-style-type: none"> Performance has not met target Performance differs from comparators (benchmarking) over 10%
AMBER (A)	<ul style="list-style-type: none"> Performance has not met target but is within 10% of target Performance differs from comparators (benchmarking) within 10%
GREEN (G)	<ul style="list-style-type: none"> Performance has met or exceeded target Performance has matched one or more comparators (benchmarking)
GREY (GY)	<ul style="list-style-type: none"> Data submitted, no target has been set (where required to)
BLACK	<ul style="list-style-type: none"> No data has been submitted

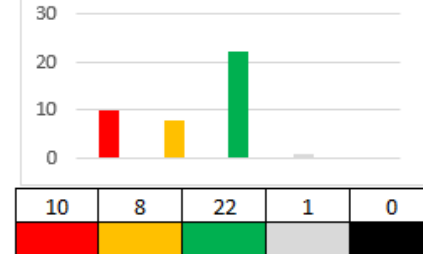
SCRER



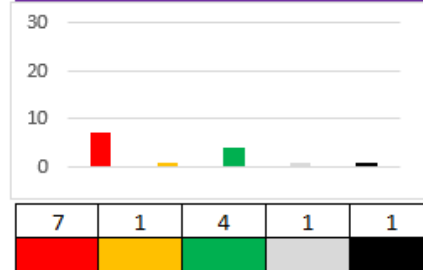
ACE



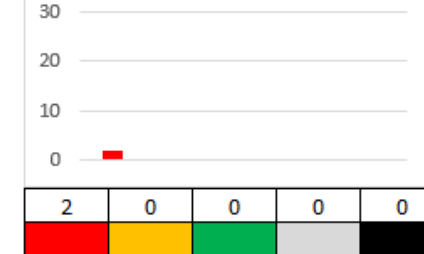
HOUSING



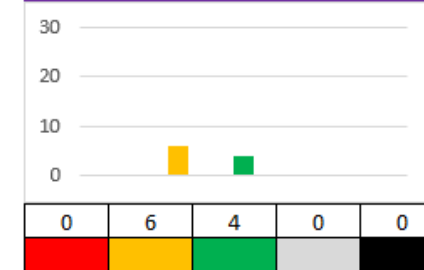
CYP & E



RESOURCES



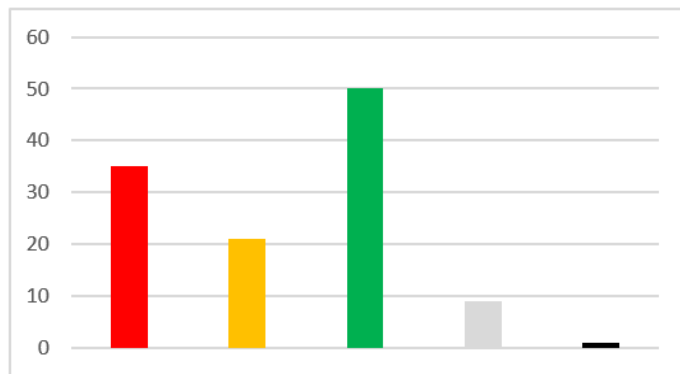
ASC & H



Performance measures – RAG status overall

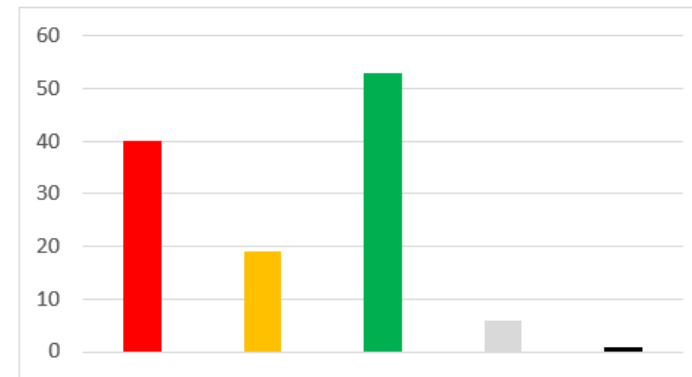
- The number of measures where there is no target or data was not submitted, has improved when compared to the previous reporting period (October 2021).
- Data for December performance shows an increase on the number of measures under performing by three, those measures achieving or exceeding target have increased by three.

CROYDON TOTAL October 2021



35	21	50	9	1
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CROYDON TOTAL December 2021



40	19	53	6	1
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Performance – Organisational overview

RED, Performance has not met target / performance differs from comparators by more than 10%.

- Violence with injury offences rate per 1,000 population – Latest data for October saw the second highest amount of violence with injury offences in the past 12 months.
- % of Freedom of Information (FOI) requests responded to within statutory timeline – reduction in performance since last reported period. Actions being put in place need to be reviewed to ensure they are having the desired effect.
- % of Subject Access Requests (SAR) responded to within statutory timeline – Remain below the 90% target at 19%, a drop in performance of 51% since the last reporting period.
- Issues with the current telephony system remain and effect the performance for the measures below. A new provider has been chosen and to work to implement both a new contact centre telephony system and a council wide telephony upgrade and refresh has begun.
 - % of residents that ended the call before we spoke to them.
 - Average wait time (minutes)
- Building Control - Performance remains below target for, % of Major applications processed in time and % of Minor planning applications processed in time. This is due to staff shortages (LBC have only 40% of the surveyors required) and the ability to recruit is challenging, due to tough competition from the private sector.

Performance – organisational overview

AMBER, Performance has not met target, remains within 10%, performance differs from comparators by 10% or less

% calls answered by Axis Contact Centre (housing) has increased performance by 12% since the last reporting to 92% against a target of 95%..

The following have an impact on cost / income and may impact potential savings targets. Action is required to ensure performance does not deteriorate.

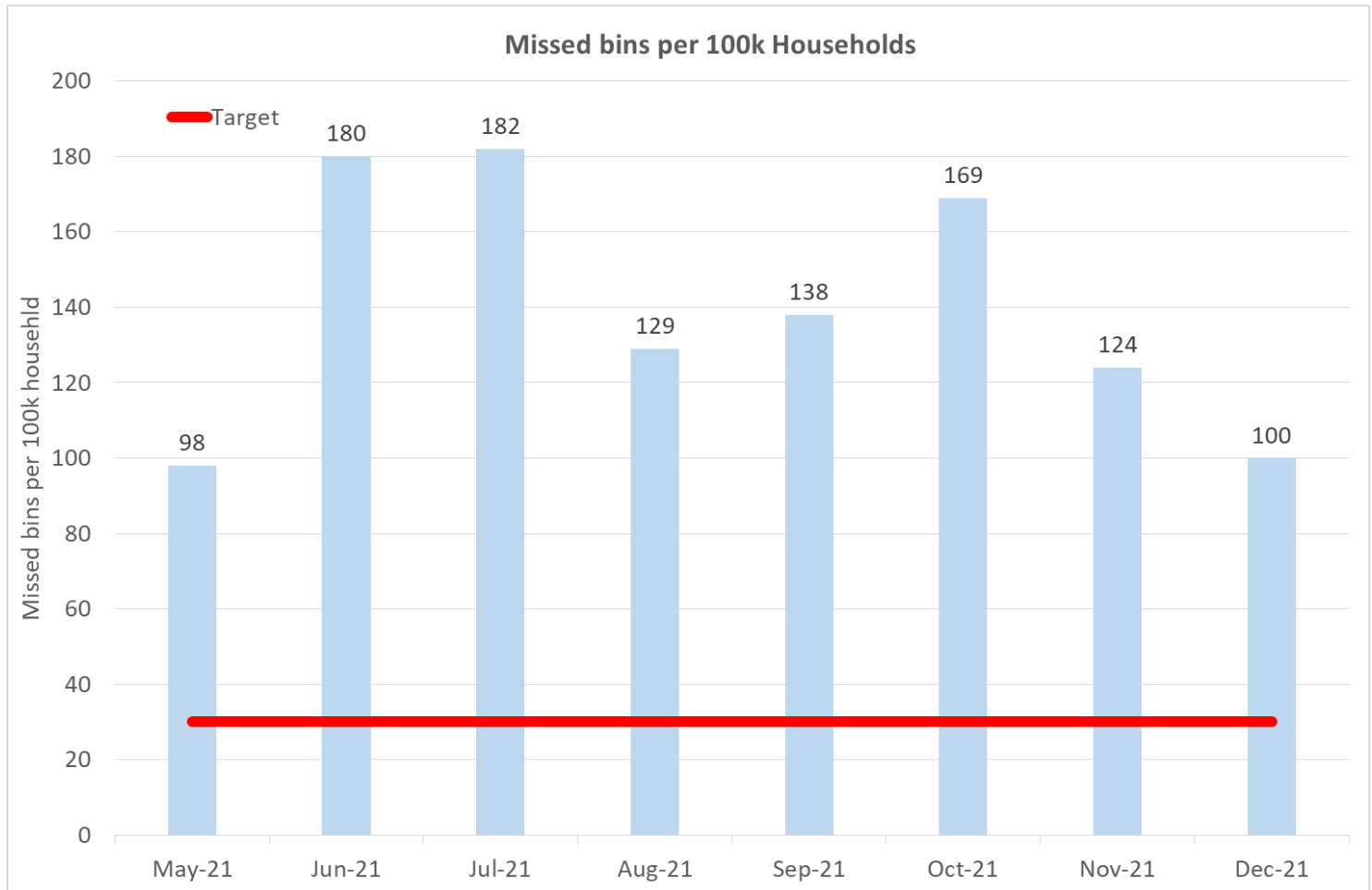
- Total Hours of Home Care (18-64) is below target
- Total Number of People in Home Care (18-64) is below target
- Total number of people in homecare (18-64)
- Number of People in Residential & Nursing Care (65+) is above target
- Emergency & Temporary Accommodation (EA/TA) – total % of debt collected is below target
- Rent collected as a % rent due (Inc. arrears brought forward) is below target

Performance – organisational overview

GREEN, Performance has met or exceed target / performance has matched one or more comparators.

- Hate crime - offences (includes Homophobic, transphobic, religious, race and disability hate crimes) rate per 1,000 population 12 months rolling to December 2021 is lower than the London average.
- % of Responsive Repairs on time (GB), combined Immediate & Out of hours - P0 & P00 (2 hours) and % of Responsive Repairs on time (GB), Emergency-P1 (1 day) continue to perform at 100%
- Net current expenditure per child on local Children Looked After (CLA) placements remains below target (smaller is better) and performance has improved since the last reporting period.
- The following measures continue to perform above target, % of homelessness cases prevented, % of homelessness cases relieved, no. of homelessness cases assisted by intervention, Total no. of households in temporary accommodation, Amount of cost avoidance on homelessness prevention achieved.
- Street lighting performance and maintenance (% of lights in light) continues to perform above target with almost 100% (99.87%) in light.
- No Recourse to Public Funds (NRPF) total cases supported – Cases have decreased by a further five since the last reporting period and continues to remain below target (smaller is better)
- Major Planning applications determined in time over a rolling two year period – still above target performance has decreased by 5% since September 2021.
- Non- Major Planning applications determined in time over a rolling two year period – is above target however, performance will drop due to current performance in determining planning applications.

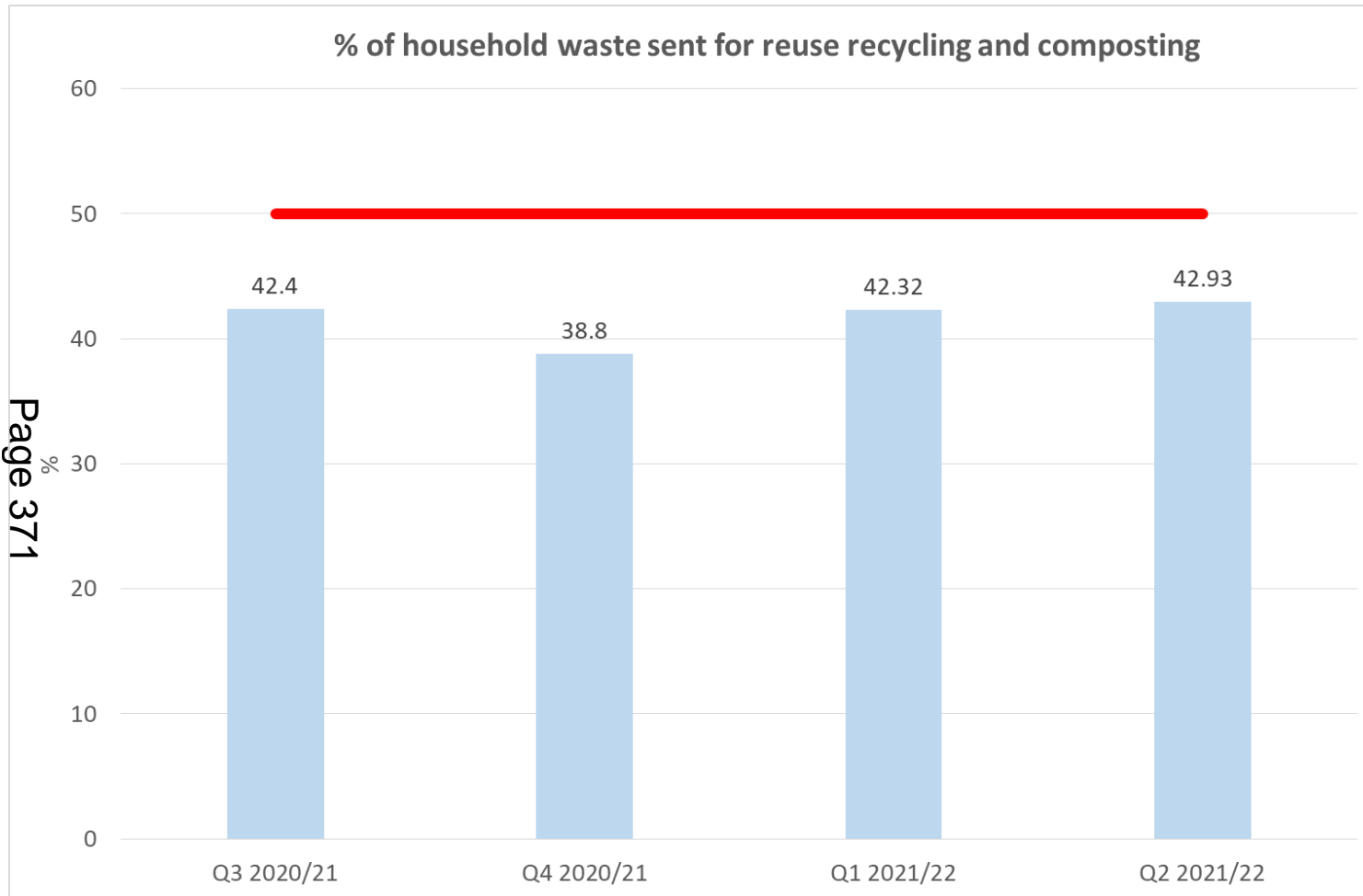
Missed Bins



In November and December there has been a steady decrease in the amount of missed bins per 100k households.

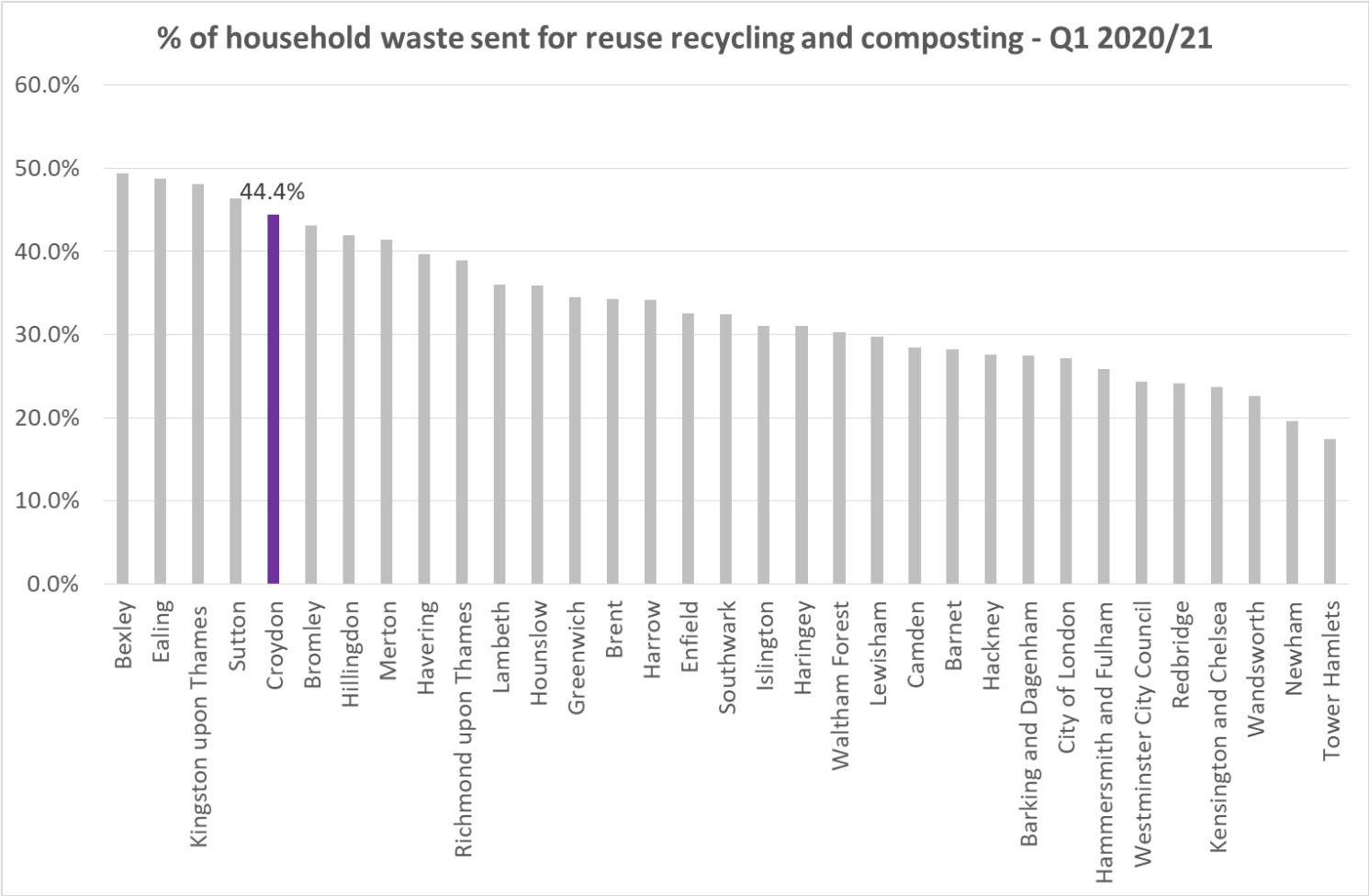
The service collects approx. 1.3m waste collections per month across the borough. The contract performance standard for missed collections (30) is based on an industry standard of the number of missed collections/per hundred thousand collections. The service has and continues to be significantly impacted by Covid and the national HGV driver shortage. It is important to note that the % of properties where waste is successfully collected is over 99.9%

Recycling rates



In the previous 4 quarters the % of household waste sent for reuse, recycling and composting was below target.
The 42.93% for Q2 21/22 remains above the Q1 20/21 London average of 33.8%.

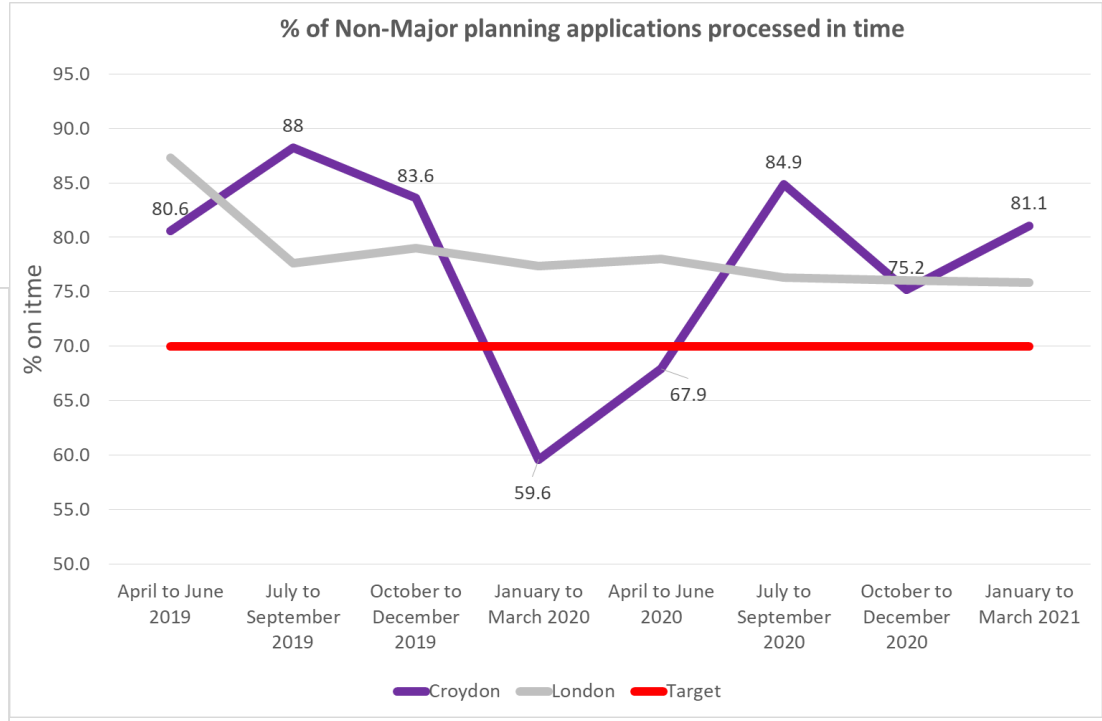
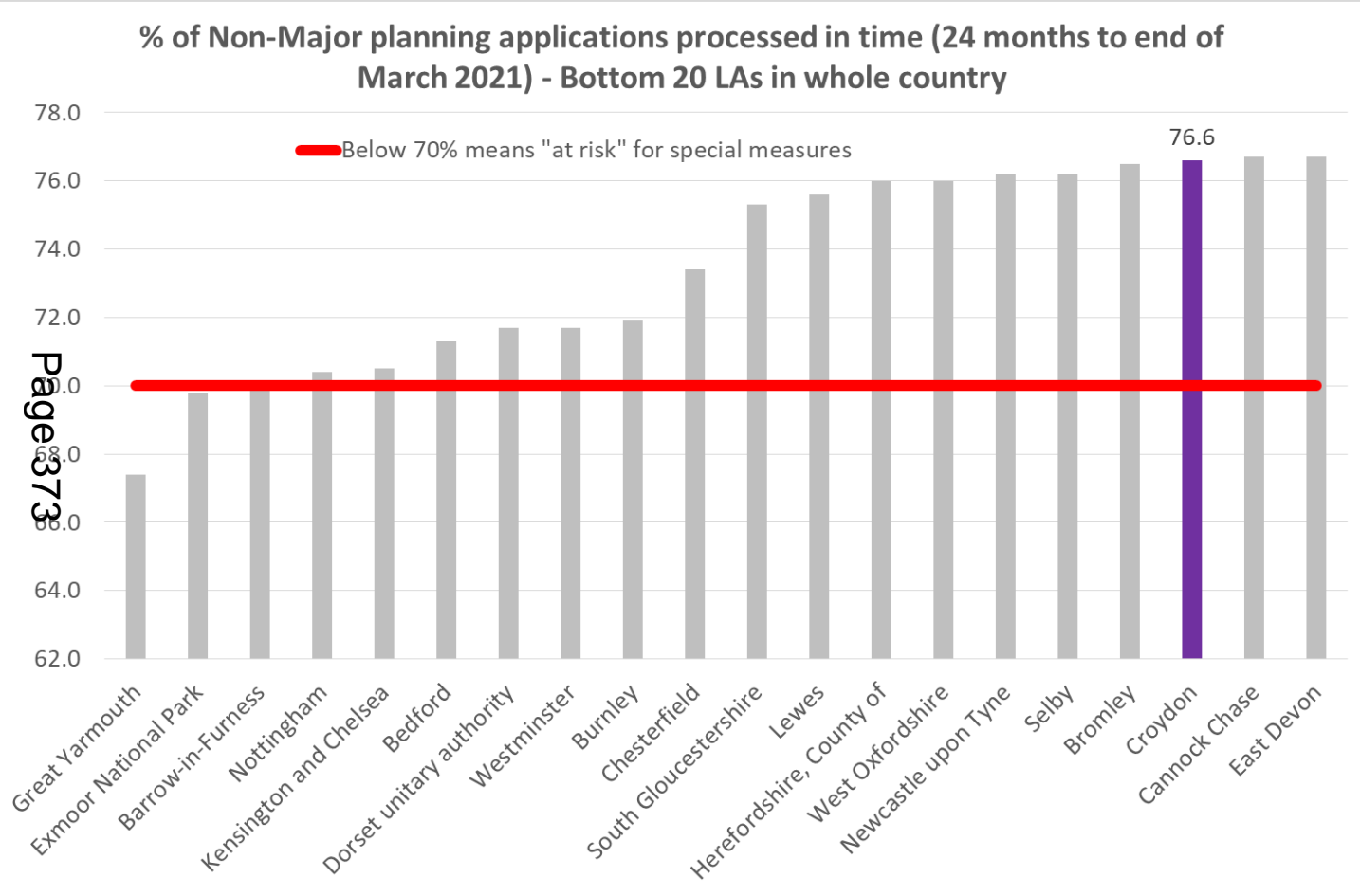
Recycling rates



In Q1 20/21 the % of household waste sent for reuse, recycling and composting was 44.4%. This is below the LBC target of 50%, placing Croydon in the top quartile for performance against other London Boroughs.

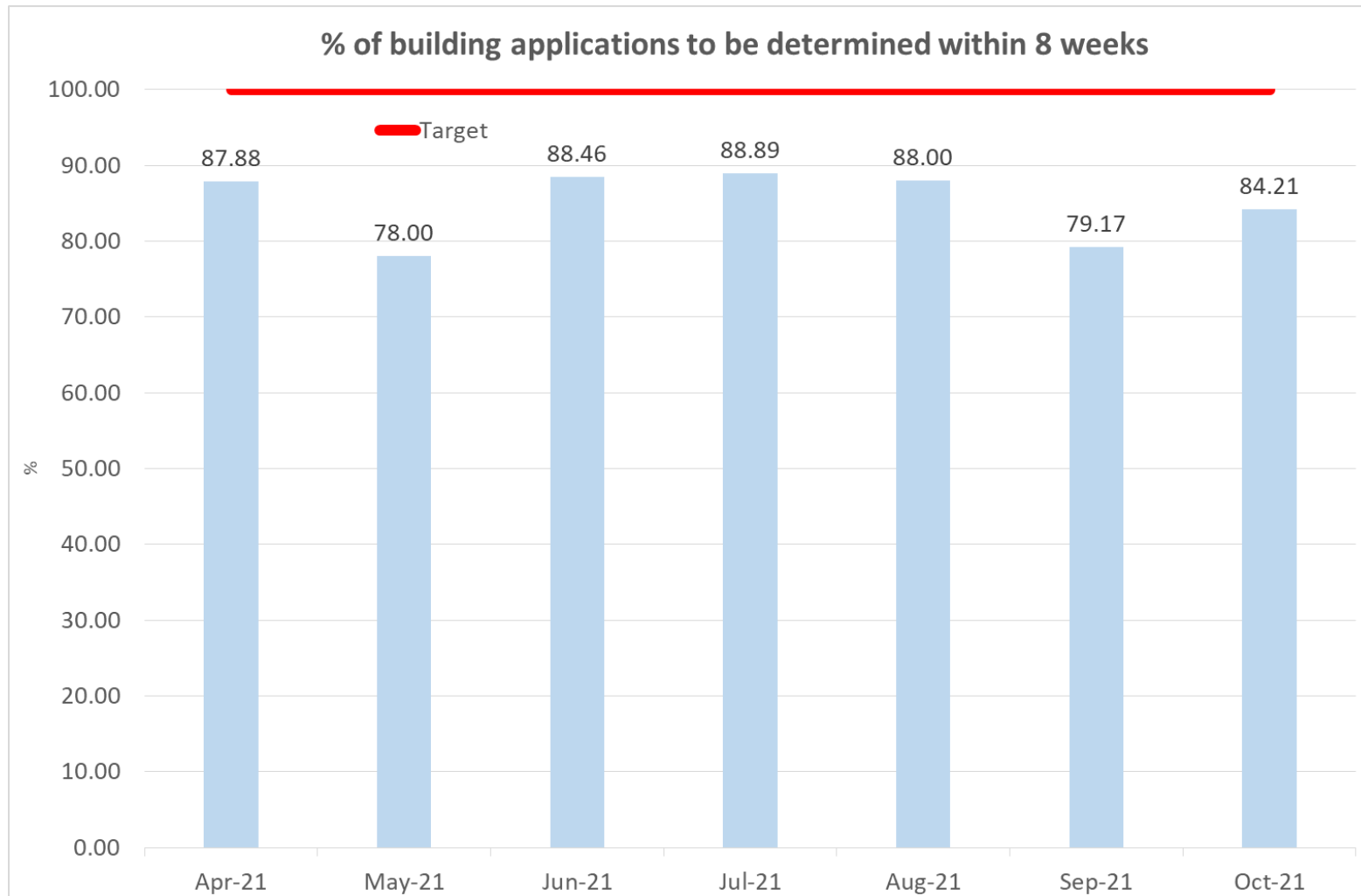
Benchmarking shows that for this period, no London borough achieved a 50% reuse, recycling and compost rate.

Planning applications – non major



In the 24 months to end of March 2021 76.6% of Croydon non-major planning applications (this includes minor and “other”) were processed on time. This is the 18th lowest in the country. Historically the % of non-major planning applications processed in time has been above the London average. Falling below 70% will mean Croydon is at risk of going into special measures.

Building applications to be determined within 8 weeks

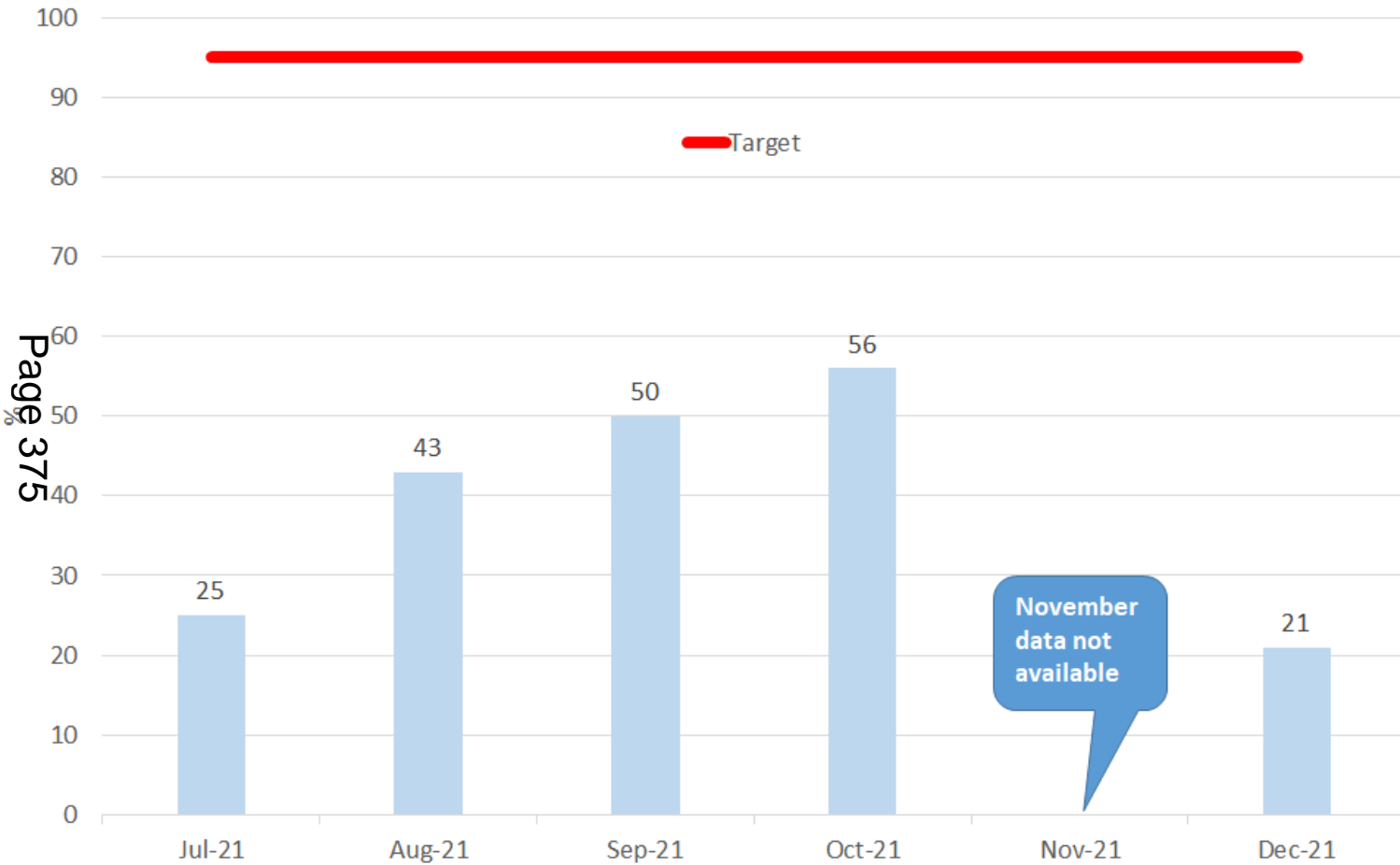


In October 84.21% of building applications to be determined within 8 weeks was achieved.

This is below the 100% target and the 7th consecutive month that the target has been missed.

Percentage of draft minutes produced within 10 working days (Democratic Services)

Percentage of draft minutes produced within 10 working days



Due to increased demand the service has been unable to meet the statutory requirement for minutes since December 2020.

The statutory requirement is for each council or committee meeting to be presented with the minutes of the previous meeting. We currently have a number of external people supporting us to clear the backlog of minutes and the ambition is for this to be complete by the end of February.

The ten day target is a good practice target, it tends to follow that if we are not meeting this then we are likely to not be meeting the statutory minimum.

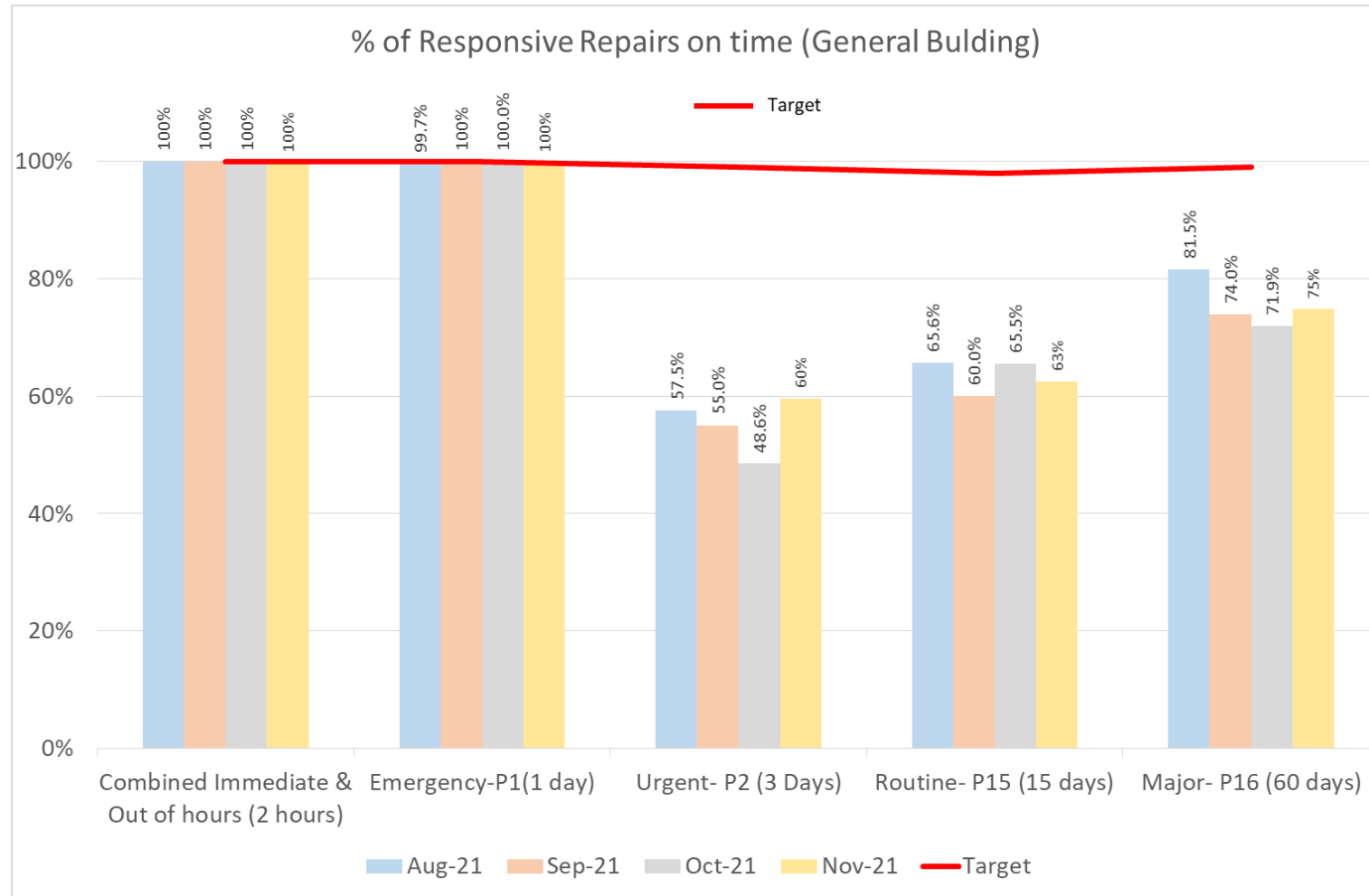
Number of reports published after the statutory deadline (Democratic Services)



Since July 32 reports have been published after the statutory deadline.

The target is for 0 reports to be published late.

% of responsive general building repairs on time



Performance for immediate and emergency responsive general building repairs have been met across the four months August to November 2021.

Across the same period, for urgent, routine and major repairs the target has not been met with urgent repairs having the weakest performance of the three.

3. Croydon Renewal Plan – Programmes and Projects

CRP – Programmes & Projects overview

Red*

- CFE Sav 09a- Review Children’s Centres Delivery Model: A pressure has arisen due to the unsuccessful tender of the South Locality Children’s Centre Hub, which has meant that the existing contract has had to be extended. The service has looked at efficiencies and this still leaves a risk of £118k. The timetable for procurement of the South Locality Children’s Centre Hub has been set the new service is due to start on the 1st June.
- PLA Sav 10: ANPR camera enforcement: Income projections have been adjusted to reflect no further schemes are likely to be implemented and or revenue received by the end of the financial year 21/22 and as such the risk of delivery remains red.
- PLA Sav 12: Revised Landlord Licensing scheme: Secretary of State declined the scheme in July 2021. Implementing alternative licensing schemes is being investigated
- PLA Sav 24: Parking charges increase 30p/30min: Covid continues to have a significant impact on Pay & Display transactions, whilst the lock down has been lifted transactions are recovering, there remains a projected shortfall.

* Red - Projects that are not on target to deliver milestones as and when expected

CRP – Programmes & Projects overview

Amber*

- Medium Term Financial Strategy Health Well-being & Adults 22/23 and 23/24 assurance less well defined, work is being completed to provide this detail, and was a topic for discussion at the recent Star Chamber.
- Medium Term Financial Strategy Resources, 22/23 and 23/24 assurance continue to be less well defined due to future unknowns, however focus has now turned to 22/23, which was discussed at the Resources & ACE Star Chambers.
- Medium Term Financial Strategy Children, Young People & Education there are two savings at risk in the division for P7, mitigating actions are being actioned.
- Governance review: Delivery of a range of governance improvement projects arising from the RIPI, governance review and scrutiny is continuing. Establishment of the appropriate internal control board is required to confirm the scope of the improvement programme and number of projects within it.
- Centre for Scrutiny and Governance (CfGS): Scrutiny and Overview Committee on 7 September 2021 agreed a new approach to the management and delivery of scrutiny which will deliver the short term actions recommended by the review.
- Review of Council Companies: Croydon Affordable Homes projects are awaiting confirmation of replacement Senior Officer - overdue an update, this has been escalated.

**Amber - Projects from a strong position, performance is beginning to deteriorate, to enable decision makers to make informed choices as to how to manage / improve performance in a timely manner*

CRP – Programmes & Projects overview

GREEN*

- Medium Term Financial Strategy in Adult Social Care & Health 21/22 savings are on-track to deliver and the directorate is on budget. This includes transitions which came into ASC&H with £1.6m overspend and £700k risk. Adult Social Care is behind on some savings, these efficiencies have been found elsewhere across the directorate and ASC remains within budget at this stage.
- Medium Term Financial Strategy Resources, all 21/22 savings on track to deliver full amount. Focus is extending to 22/23 delivery, and identification of further savings as part of the new MTFS.
- First meeting of Croydon Companies Supervision and Monitoring Panel has happened with the next scheduled for 16/12.
- Medium Term Financial Strategy Corporate Finance, all 21/22 savings on track to deliver full amount
- Report in the Public Interest: At 12 November 2021 a total 62 of the 99 tasks identified in the RIPI Action Plan have been completed. Work is progressing to deliver the remaining tasks by Q4 21/22.
- Croydon Finance Review 38/75 recommendations complete and embedded

**Green - Projects that have made an improvement in terms of delivery, compared to past performance*

CRP – Programmes & Projects overview

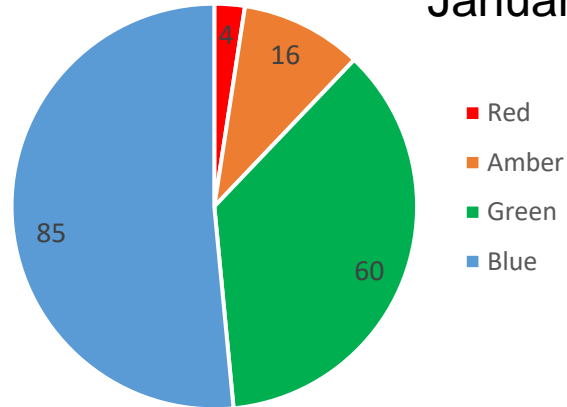
Project name	Where did the recommendation move to?	Project description	Stage	Latest update
MCHLG - Rec 1	Organisational Improvement Plan	The Council should produce a single detailed improvement plan in response to all external and internal recommendations and that this should be in place by no later than Dec 15th, 2020.	Complete	Move to Organisational Improvement Plan as part of de-duplication, noting that this action is complete.
MCHLG - Rec 2	Organisational Improvement Plan	The Council should appoint an independent panel of specialist non-executive advisers, who should remain in place for a minimum of 3 years to advise and oversee progress on the improvement plan.	Pre-proposal	
MCHLG - Rec 3	Archived projects	The Council's budget for 21/22 should receive the scrutiny of the Council's Finance Review Panel, prior to being presented to the Cabinet and Council and the comments of the Panel should be presented with the budget report.	Complete	Complete
MHCLG - Rec 4	Council investment, asset management, and divestment activities and relationship with its third party companies	The Council should immediately strengthen its oversight of Brick by Brick by improving communication, monitoring contract information and development milestones and having experienced Non-Execs on the BBB board to ensure: <ul style="list-style-type: none"> •the appointment of a Director of Finance; •robust BBB financial (P&L and Cash flow) forecasts; •further asset review work to test asset values; • a State Aid compliant capital structure (possibly involving equity as per the original business plan); •a review by the new Finance Director of 3rd party future funding avenues to avoid premature value destruction; •restoration of a collaborative relationship to meet (at least some of) the original goals of providing affordable housing and value creation. 	Complete	Move to Strategic Review of Companies as part of de-duplication.
MCHLG - Rec 5	Council investment, asset management, and divestment activities and relationship with its third party companies	The Council should urgently consider and implement alternative uses for the Croydon Park Hotel (CPH), including the recent business case to use it for Emergency Temporary Accommodation.	Complete	Moved to Strategic Review of Companies as part of de-duplication, noting that this action is complete and there is a Disposal project in the tracker to sell CPH.

Project name	Where did the recommendation move to?	Project description	Stage	Latest update
MHCLG - Rec 6	Archived projects	The Council should adopt the practice of the annual external audit report being reported to full Council and should formalise the facility for the CEO, Monitoring Officer and the Section 151 officer to meet with the key audit partner at least annually.	Pre-proposal	This project is 50% complete.
MHCLGRRi	MHCLG Rapid Review recommendations	The Council should undertake a review within 6 months of the implementation of its integrated social care IT systems (ControCC and Liquid Logic) intended to link activity to Finance.	MHCLGRRi	MHCLG Rapid Review recommendations.
MHCLG - Rec 8	Medium Term Financial Strategy	The Council should undertake a comprehensive review of its eligibility Criteria for Adults Services within 12 months.	Pre-proposal	Moved to MTFS as part of de-duplication.
MHCLG - Rec 9	Council investment, asset management, and divestment activities and relationship with its third party companies	The Council should identify opportunities to generate capital receipts to fund capitalisation in lieu of borrowing where possible. It should also review its capital programme to reduce the need for additional borrowing more generally and thereby reduce the pressure on the revenue budget	Project request	Interim Disposal Strategy delivered and approved at Cabinet to identify properties for disposal/income generation. This will be ongoing and now widened to look at opportunities around the Civic Complex.
MHCLG - Rec 10	Organisational Improvement Plan	The CEO should produce a revised organisational structure which ensures: <ul style="list-style-type: none"> •the Section 151 officer reports directly to the CEO; •that the executive leadership of the Council is strengthened and has sufficient capability, capacity and experience to lead the recovery; •that there are officers at senior level with sufficient commercial experience and expertise to properly oversee the Council's commercial investment portfolio; •this revised structure should support the establishment of a programme management back office resource which is of sufficient capacity to properly enable and oversee the successful implementation of the single improvement plan; •the Council's Finance Team should be strengthened both in terms of expertise and capacity; •the Leader and interim CEO should produce a timetable for key executive posts to be filled permanently. 	Complete	Structure released 17/06 appointments underway.

Project name	Where did the recommendation move to?	Project description	Stage	Latest update
MHCLG - Rec 11	Organisational Improvement Plan	The Council review its Assurance process and produce a more robust Assurance Framework to ensure that the checks and balances that should be in place to anticipate, alert and escalate any significant potential failings are effective. This Assurance Framework should be agreed with the Council's budget for 2021/22. Within this the Council should give consideration to appointing a Chair from outside the majority group to its General Purpose and Audit Committee.	Pre-proposal	This will be de partially delivered by <u>a number of other initiatives</u> :

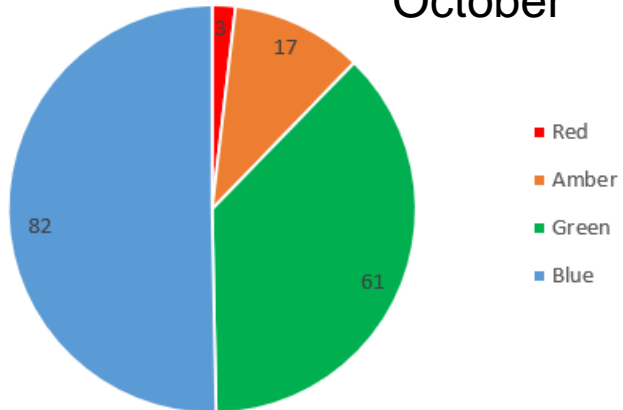
CRP – MTFS P9 Projects overview

RAG Status



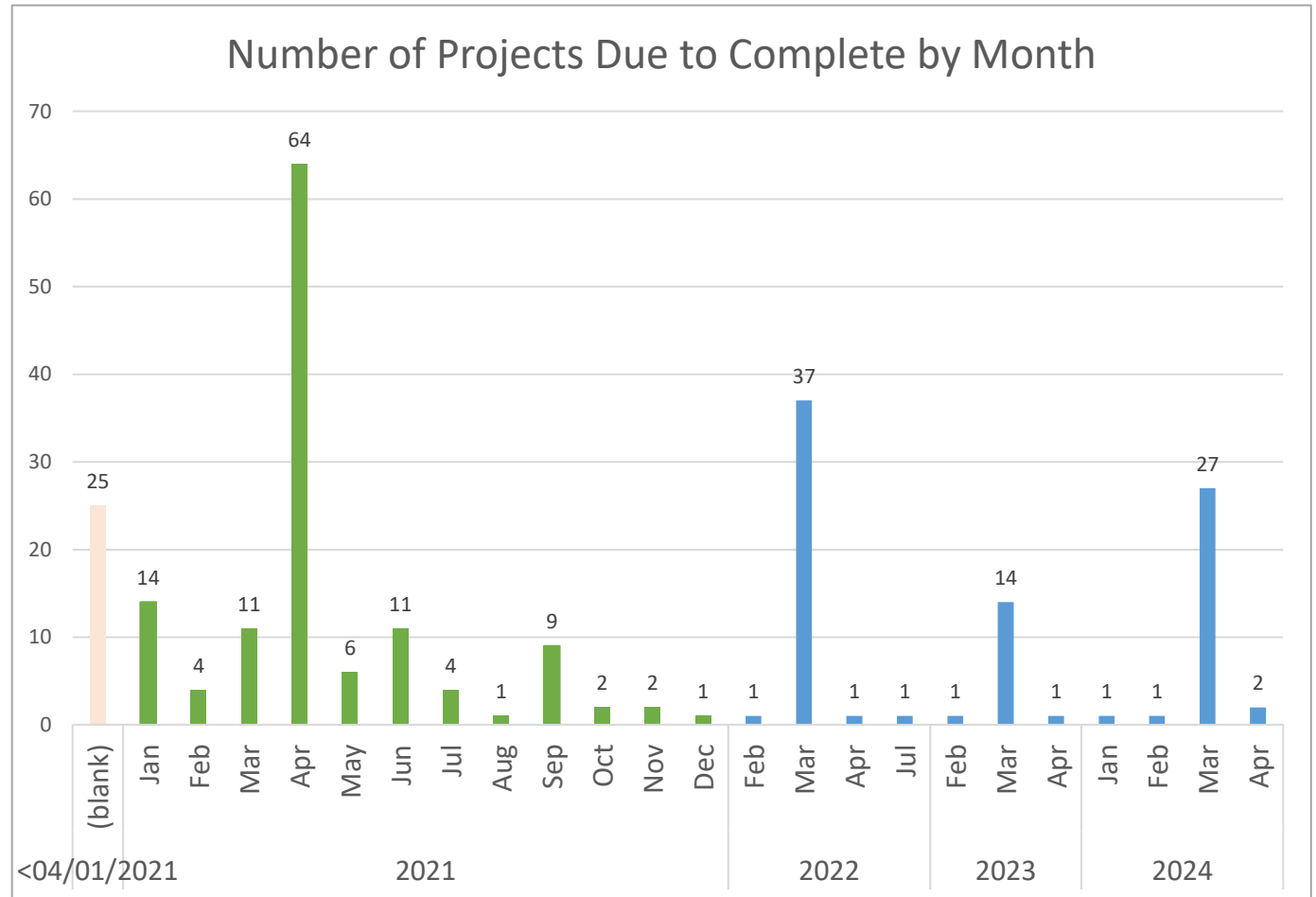
January

RAG Status



October

Number of Projects Due to Complete by Month



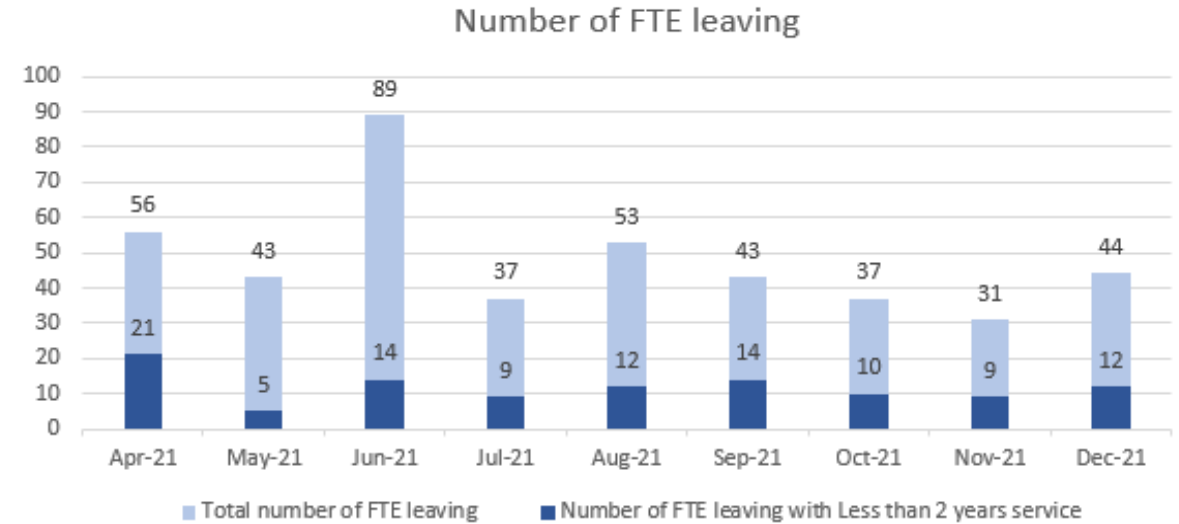
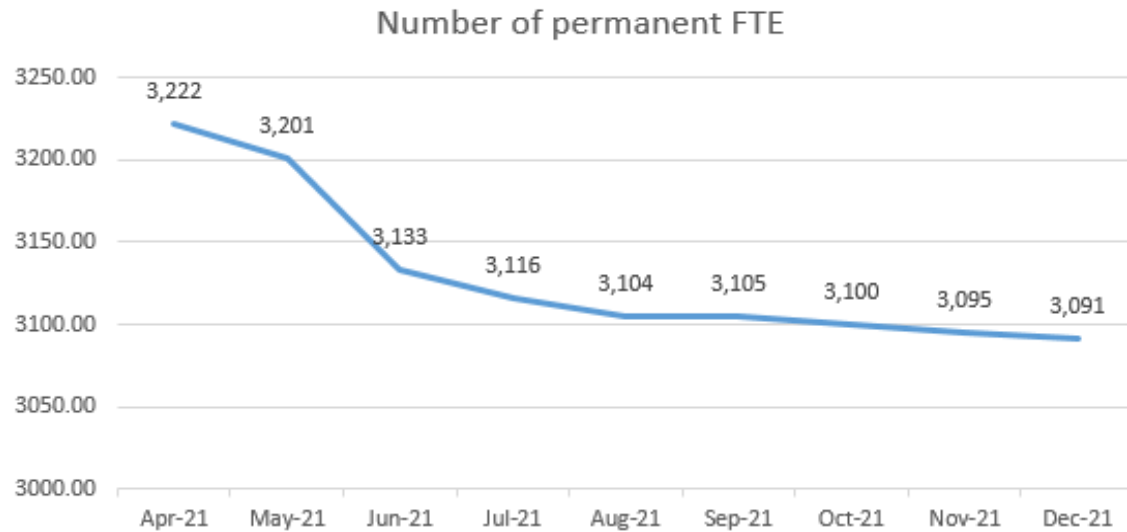
4. Croydon Renewal Plan – savings

Financial Savings

- Savings and growth targets, as identified within the MTFS project of the Croydon Renewal Plan, are £82.563m and £132.563m respectively.
- Total savings at risk are £5.23m. This is a decrease against the £5.272m figure reported as part of the month 7 reporting presented to the December 2021 Cabinet meeting. If these savings are deemed to be definitely non-deliverable they will be factored into the monthly forecast and incorporated into the forecast outturn position
- Table 2a of the Financial Monitoring Report provides full details of MTFS savings risks with a brief commentary of the projects that are at risk of delivery.

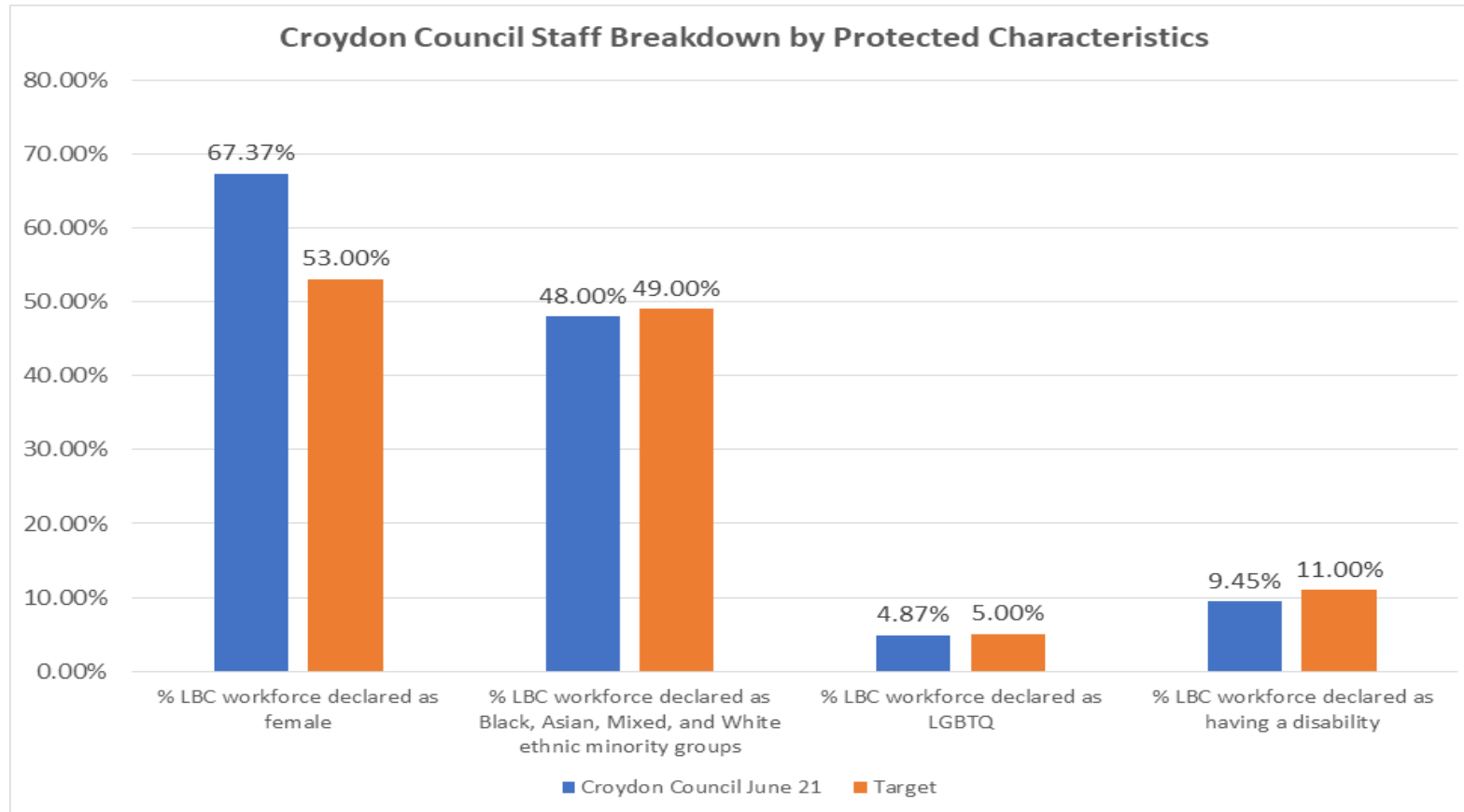
5. Organisational Health

Workforce – staff turnover



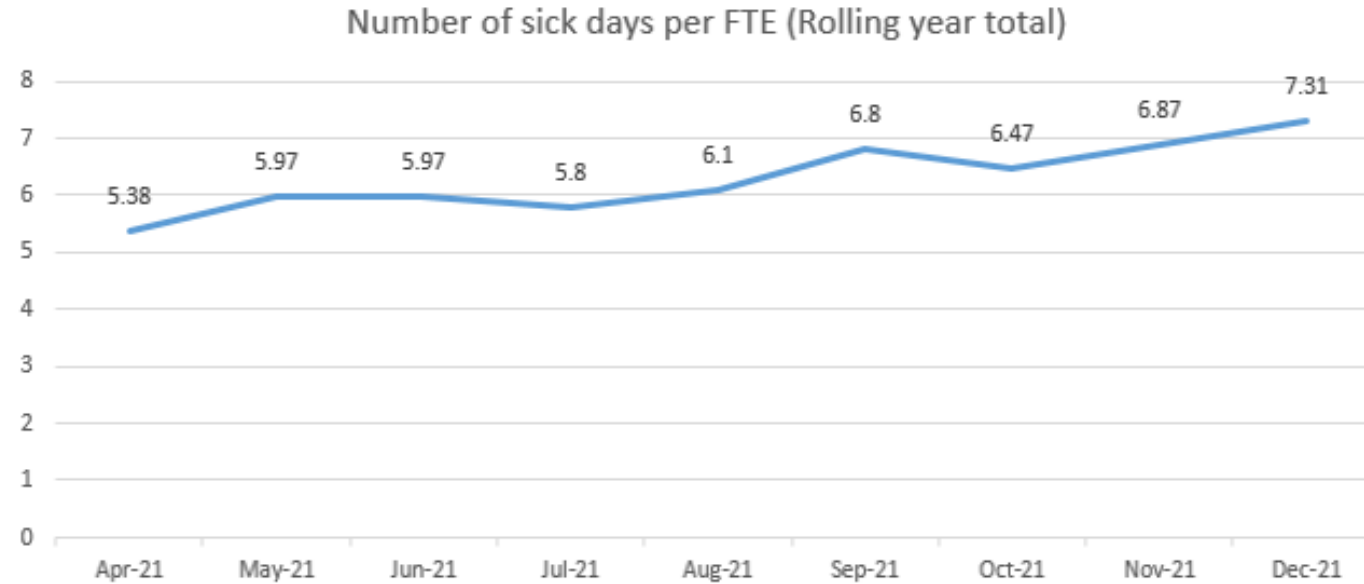
The numbers of permanent FTE has continued to drop slightly between November and December, to the lowest value this year. Numbers of permanent FTE in December have decreased by approximately 4% of the since April although the vast majority of this change occurred between April-July. Numbers of FTE leaving in December increased from the previous month, to the highest value since August. approx. 27% of leavers had less than 2 years service.

Workforce – protected characteristics



Croydon council staff characteristics strive to be proportionately representative of the Croydon population. 67.37% of Croydon staff are currently female (June 21). This is much higher than Croydon as a whole.

Workforce sickness

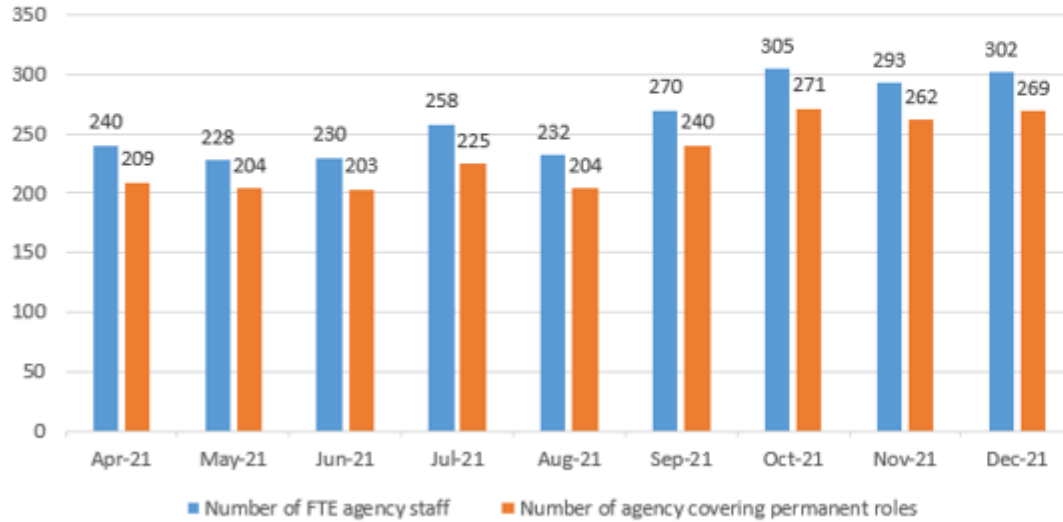


The number of sick days per Full Time Equivalent (FTE) in the rolling year to December 2021 has continued to increase against a target of 5.6 days. This figure has been impacted by Covid-19 diagnosis which accounts for 10% of the sickness duration for this period.

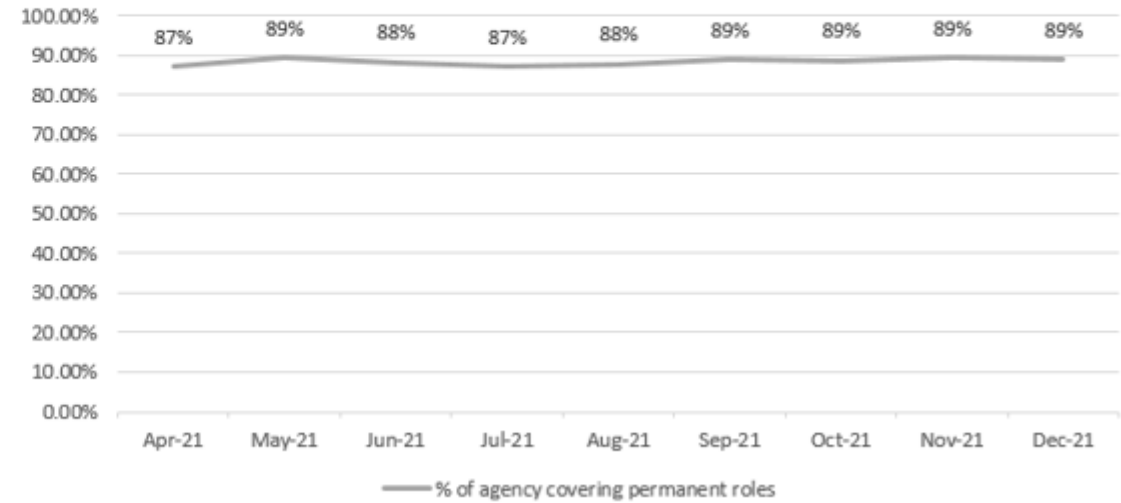
The main reason for sickness to date in 2021/22 is mental health, which accounts for 25% of total sickness duration.

Agency – number of staff

Numbers of FTE agency staff

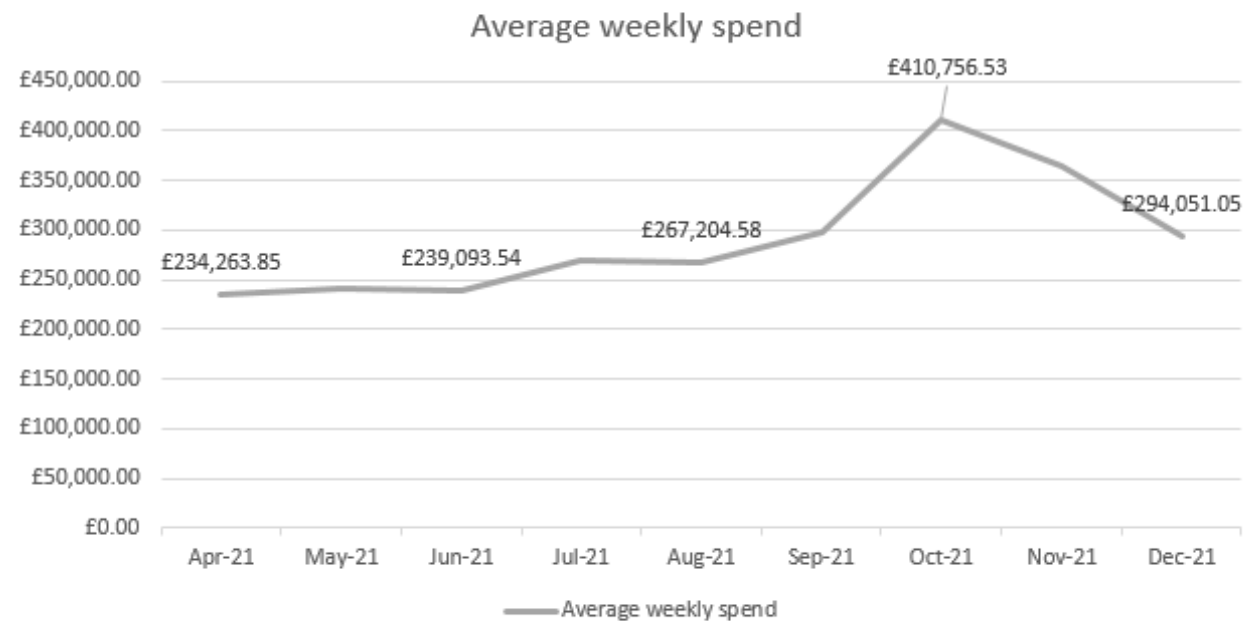
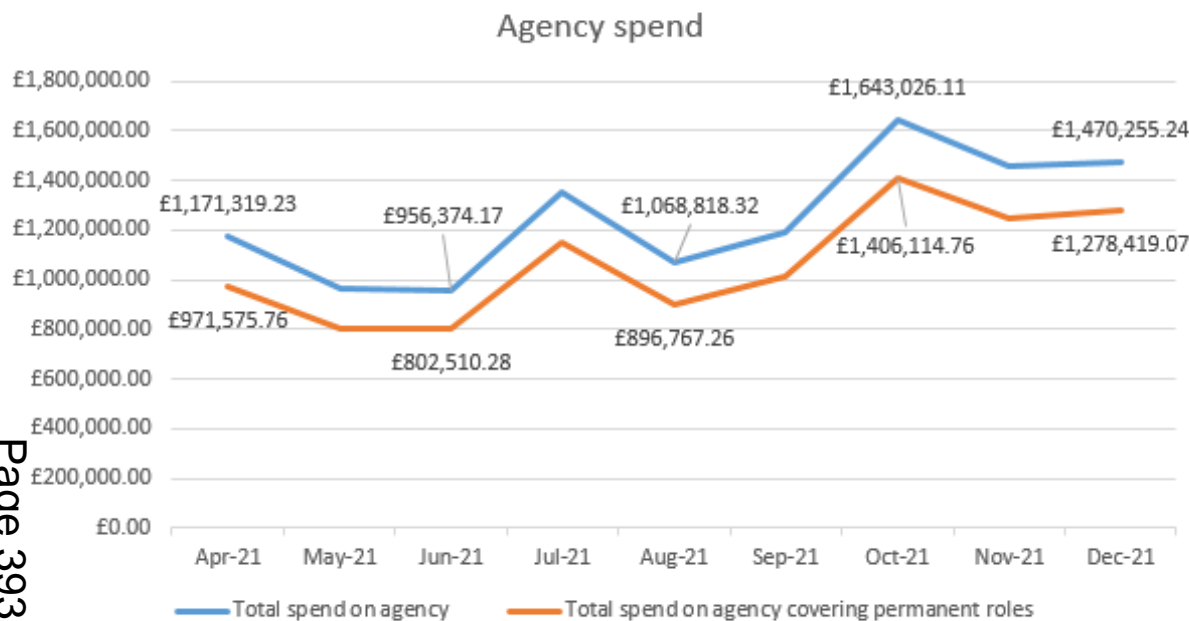


% of FTE agency staff covering permanent roles



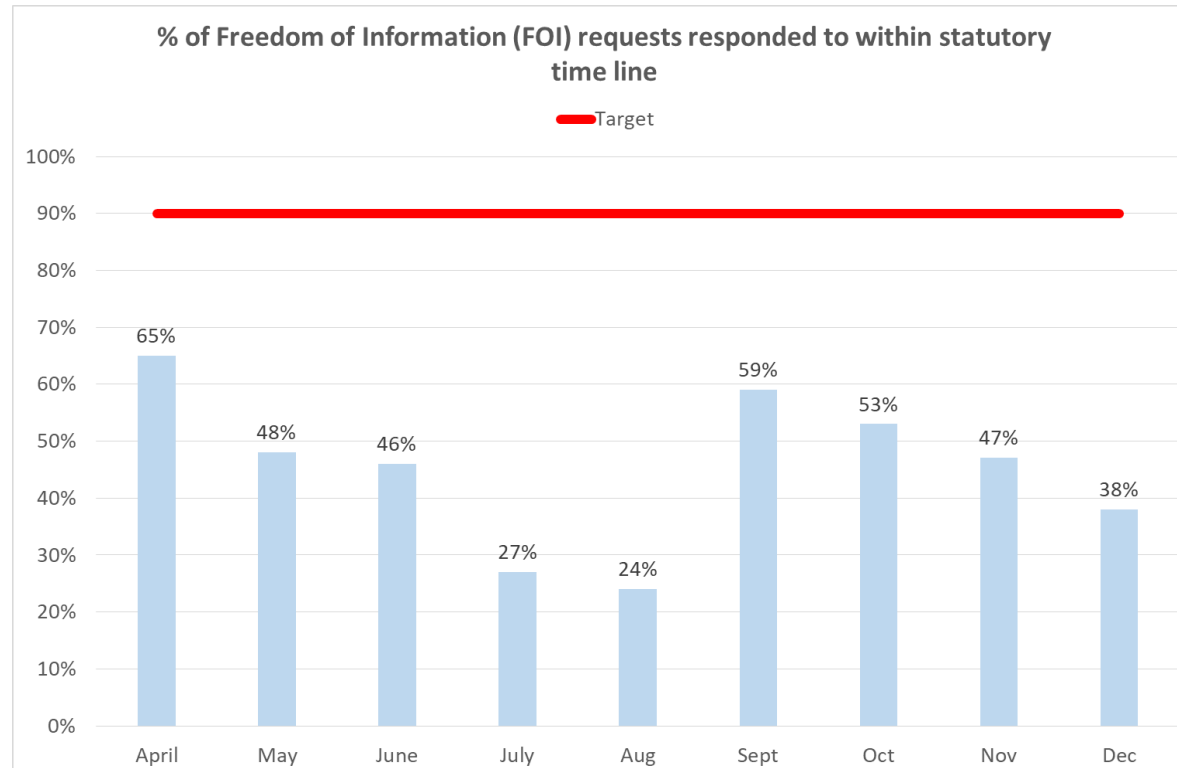
The number of agency staff for both supernumerary and permanent roles has increased slightly since November. In total, there are 302 agency staff members, and of those 269 (89%) are covering vacant permanent roles within the budgeted establishment. This later figure has remained consistent throughout most of this financial year.

Agency – expenditure



The amount spent on agency staff has increased slightly (by less than 1%) from November to December, however as agency spend is recorded weekly based on the month at the end of the week, the December data represents 5 weeks of spend, compared to 4 in November. Therefore the average weekly spend in December has decreased significantly compared to November, likely due to the holiday period. The average spend per agency staff has also decreased slightly to £4,863 per agency staff in the month of December from £4,976 per agency staff in the month of November

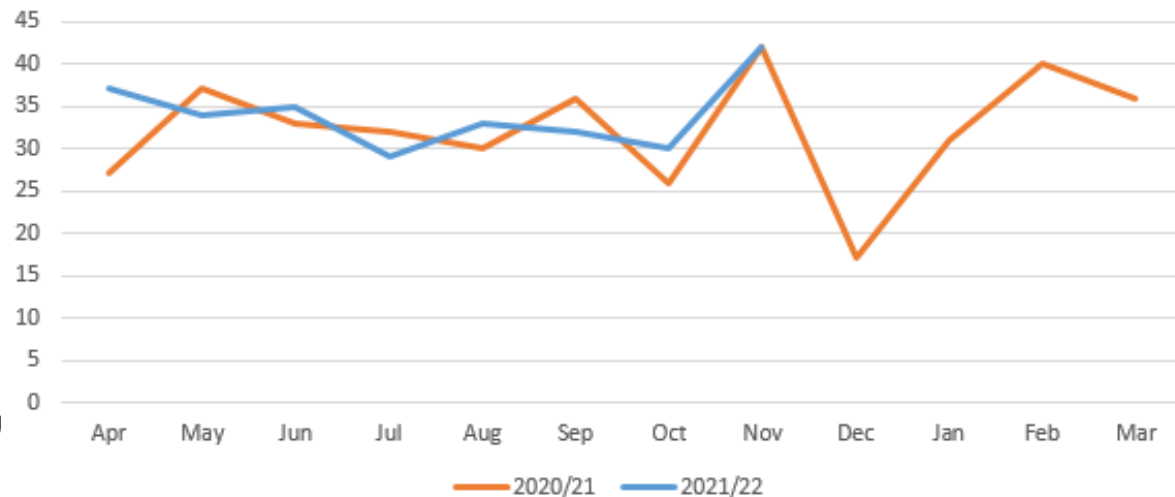
Freedom of Information (FOI) requests



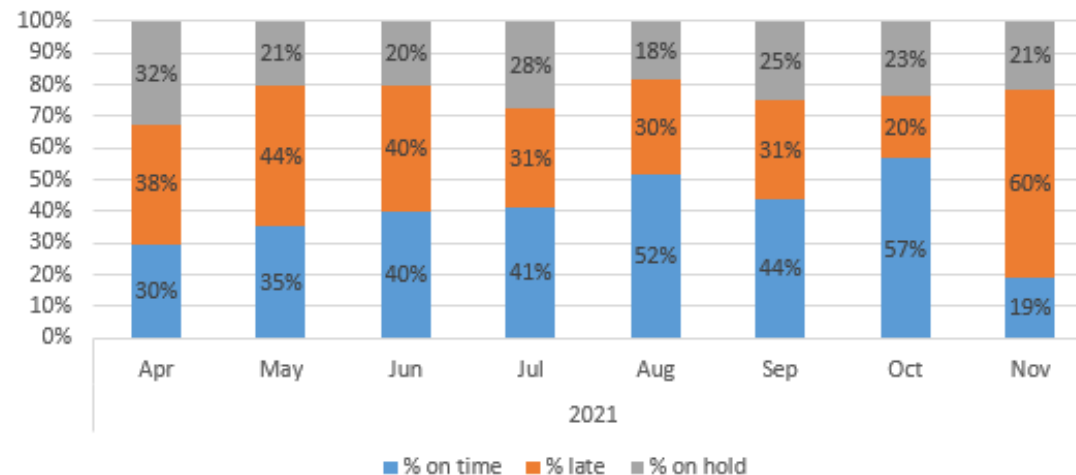
In December, 38 out of 99 (38%) of Freedom of Information (FOI) requests were responded to within statutory timeline. This is a further drop in performance for the fourth consecutive month. The target has not been met this year and is unlikely to be met by the end of the 2022 – 23 reporting period. Urgent action is being taken to improve performance by bolstering the team to clear the backlog and reshape the process within new Digital & Resident Access division.

Subject Access Requests (SARs)

SARs received year on year comparison



% of SARs responded on time



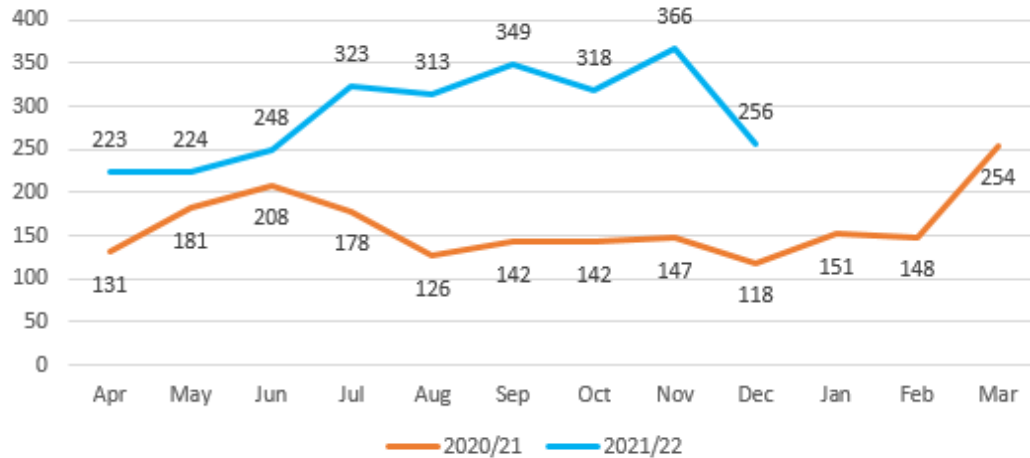
Numbers of SARs received have increased significantly (by 40%) from October to November 2021, but are equivalent to the numbers received in the same month last year. Numbers of late SARs have increased to a peak of 60% in November, and as the rest of the requests received in November are either open or on hold, this may increase.

Approximately 24% of the requests received between April-November are on hold awaiting further information (approx. 24% of total requests), so figures for requests late/on time are highly subject to change.

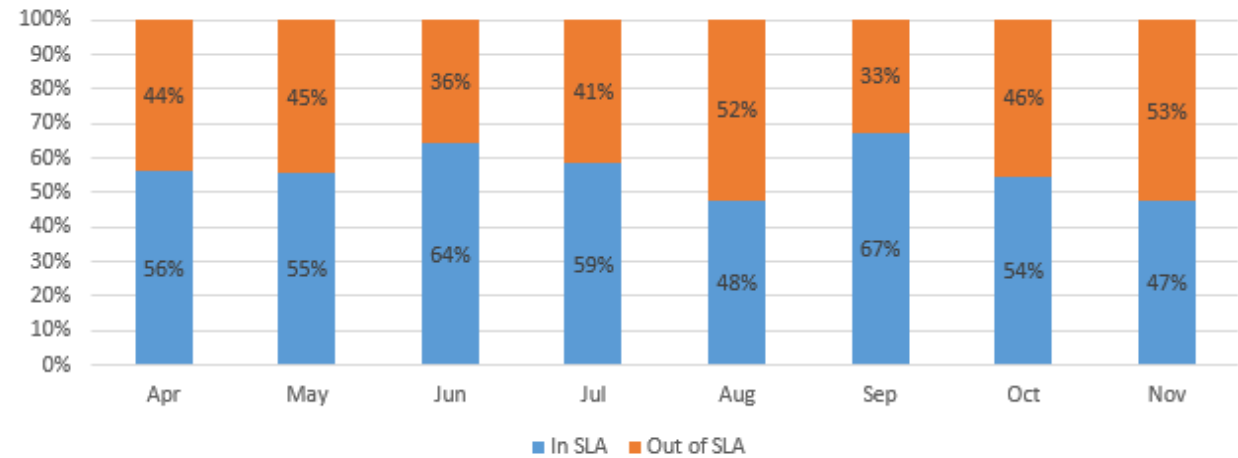
N.B: Data for SARs on time includes currently open cases within timescales.

Complaints

Complaints received year on year comparison



% of complaints in/out of SLA



Complaints received in December have decreased significantly from the previous month, however numbers for 2021/22 have consistently exceeded numbers received in the previous year. The majority of the 366 complaints received in November were corporate complaints (approx. 87%)

Numbers of complaints within SLA dropped from 54% in October to a low of 47% in November

N.B Data for complaints includes each stage of a complaint separately, as these have separate due dates.

In SLA/Out of SLA figures include currently open complaints. December complaints are not shown on this graph, as a large number of these are still open with a due date in January.

Open Complaints

Current stage*	Number of open complaints
Adults Social Care Stage 1	27
Childrens Social Care Stage 1	5
Childrens Social Care Stage 2	8
Childrens Social Care Stage 3	2
Corporate Complaints Stage 1	419
Corporate Complaints Stage 2	23
LGO	21
Praise	0
Grand Total	505

Issues with extracting information from the Infreemation system have now been resolved. Number of open complaints have increased slightly from this time last month (491 as of 14.12.2021)
The majority (83%) are Stage 1 Corporate complaints, although this number has decreased slightly from the previous report. (431 as of 14.12.2021)

*Complaints data correct as at 14.01.22

6. Risk

Strategic risk V programme / project risk

- There are currently 133 risks on the strategic risk register. This remains the same as the last reporting period.
- These are cross referenced monthly against the PMO risk register monitoring the risk to delivery of projects and the impact against these strategic risks.
- Where a link has been identified these are monitored by the PMO together with the Lead for corporate risk.
- Of the 133 strategic risks reviewed for this reporting period, no detrimental impact has been identified from potential programme / project risks
- All corporate risks are currently reviewed with DMT's on a quarterly basis, with red risks being reviewed on a monthly basis by CMT to allow for horizon scanning and challenge. Review dates will be synchronised across the council, to ensure synergy with the reporting timetable for the Finance Performance and Risk report which goes to DMT and CMT on a monthly basis and to Cabinet bi-monthly. This will allow the review of risks to take place against the overall performance of the council and help to identify any potential impact.

KEY 		CROYDON CORPORATE PERFORMANCE FRAMEWORK							CROYDON www.croydon.gov.uk						
Latest Update: DECEMBER 2021		LATEST DATA							PREVIOUS DATA		BENCHMARKING				
REF.	INDICATOR	Bigger or Smaller is better	Frequency	Timeframe	Target	Croydon position	Change from previous	RAG	Timeframe	Croydon position	Timeframe	London position	COMMENTS ON CURRENT PERFORMANCE		
Sustainable Communities, Regeneration & Economic Recovery															

PUBLIC REALM

PL PR 19	Number of Park Patrols	Bigger is better	Monthly	Dec-21	350	789	↓	Green	Nov-21	813		No comparable data available			
PL PR 20	Number of District Centre Patrols	Bigger is better	Monthly	Dec-21	150	524	↓	Green	Nov-21	692		No comparable data available			
PL PR 23	% of household waste sent for reuse recycling and composting	Bigger is better	Quarterly	Q2 2021/22	50%	42.93%	↑	Red	Q4 2020/21	42.93%	Q4 2019/20	32.9%	Due to increase in number of properties and an increase in waste produced the % of recycling is lowering. The HGV driver shortage has exacerbated this issue due to residual waste prioritised over recycling.		
PL PR 25	Missed Bins per 100k households (Residual waste)	Smaller is better	Monthly	Dec-21	30	100	↑	Red	Nov-21	124		No comparable data available	In November and December there has been a steady decrease in the amount of missed bins per 100k households. The service collects approx. 1.3m waste collections per month across the borough. The contract performance standard for missed collections (30) is based on an industry standard of the number of missed collections/per hundred thousand collections. The service has and continues to be significantly impacted by Covid and the national HGV driver shortage. It is important to note that the % of properties where waste is successfully collected is over 99.9%		
PL PR 28	% of Streets below grade rectified in time	Bigger is better	Monthly	Dec-21	100%	99.2%	↑	Yellow	Nov-21	98.0%		No comparable data available			
PL PR 32	Parks and open space volunteer days per month	Bigger is better	Quarterly	Q2 2021/22	535	980	↑	Green	Q1 2021/22	750		No comparable data available			
PL PR 33	Street champion volunteering days per month	Bigger is better	Monthly	Dec-21	600	654	↔	Green	Nov-21	654		No comparable data available			
PL PR 53	% of Licence applications requiring to be processed within statutory timescales that are processed within stat. timescales	Bigger is better	Quarterly	Q3 2021/22	100%	100.0%	↔	Green	Q1 2021/22	100%		No comparable data available			
PL PR 56	% of applications with representations are referred to licensing sub committee within statutory timescales	Bigger is better	Quarterly	Q3 2021/22	100%	100%	↔	Green	Q2 2021/22	100%		No comparable data available			
PL PR 59	% of contaminated land assessments are conducted within service standards/statutory timescales	Bigger is better	Quarterly	Q3 2021/22	100%	100%	↔	Green	Q2 2021/22	100%		No comparable data available			
PL PR 30	Street lighting performance and maintenance (% of lights in light)	Bigger is better	Monthly	Dec-21	99%	99.87%	↑	Green	Nov-21	99.79%		No comparable data available	Looking to carry out a "dimming" trial from Jan 22 - Mar 22. Looking to reduce lighting levels by 50% around borough at specific times for residential / main roads.		

PLANNING AND STRATEGIC SUPPORT

PL PS 03	% of Major applications processed in time (13 weeks)	Bigger is better	Monthly	Dec-21	60%	20%	↓	Red	Nov-21	67%		No London data available	A combination of different staffing and workload pressures are causing challenges in the planning service, these are both internal and external. Many planning authorities have seen an increase in workload and staff shortages during the pandemic. Agency staff were cut in response to the financial challenges in Croydon. Additional staff are now being recruited but turnover remains high. The team are using a variety of approaches, working longer hours, including evenings and weekends, reducing negotiation on applications to a minimum, reducing interface with applicants and objectors to a minimum, seeking enhanced digital and technical solutions, use of Extensions in Time and commissioning a Peer Review (Planning Advisory Service) to provide support on any additional efficiencies and improvements to process and external advise on staffing levels. With the required resources in place, performance will improve over a 12 month period. With current resources any improvement will take longer.		
PL PS 06	% of Minor planning applications processed in time	Bigger is better	Monthly	Dec-21	65%	57%	↑	Red	Nov-21	46%		No London data available			
PL PS 09	% of Other planning applications processed in time	Bigger is better	Monthly	Dec-21	80%	78%	↑	Yellow	Nov-21	70%		No London data available			

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REF.	INDICATOR	Bigger or Smaller is better	Frequency	LATEST DATA					PREVIOUS DATA		BENCHMARKING		COMMENTS ON CURRENT PERFORMANCE
				Timeframe	Target	Croydon position	Change from previous	RAG	Timeframe	Croydon position	Timeframe	London position	
PL PS 10	Major Planning applications determined in time over a rolling 2 year period	Bigger is better	Monthly	December 19 - November 21	60%	76.40%	↓		November 19 - October 21	78.82%		No London data available	
PL PS 11	Non- Major Planning applications determined in time over a rolling 2 year period	Bigger is better	Monthly	December 19 - November 21	70%	72.11%	↓		November 19 - October 21	72.14%		No London data available	

CULTURE

PL CUL 01	Footfall in libraries	Bigger is better	Monthly	Dec-21	22,000	21,180	↓		Nov-21	28,122		No comparable data available	Footfall decreased in the lead up to Christmas, partly due to the increased risk of Covid as users limited their contacts. There were also some short notice closures due to staffing shortages, and heating problems
PL CUL 02	Book issues in Libraries	Bigger is better	Monthly	Dec-21	25,000	25,060	↓		Nov-21	32,331		No comparable data available	Book issues were similar to Dec 2020; issues are traditionally lower in December compared to November, in the lead up to Christmas; plus all libraries were closed 29-31 Dec
PL CUL 03	Digital issues in Libraries	Bigger is better	Monthly	Dec-21	15,500	15,268	↑		Nov-21	14,509		No comparable data available	Digital issues remain buoyant, and showed an increase on the same month last year

COMMUNITY SAFETY

PL CS 01	Total violence with injury offences	Smaller is better	Monthly	12 months rolling to Dec 21	NA	3,555		NA	12 months rolling to Nov 21	3,538	12 months rolling to Dec 21	71,774	
PL CS 02	Violence with injury offences rate per 1,000 population	Smaller is better	Monthly	12 months rolling to Dec 21	7.98	9.15	↓		12 months rolling to Nov 21	9.11	12 months rolling to Dec 21	7.98	There was a sharp increase in non-domestic violence with injury linked to the night-time economy, especially in the town centre in October 2021. This declined slightly in November and December but remains an issue. Analysis of the town centre, highlighting and looking further into night-time economy crime was carried out. As a result of the findings, we are placing a re-deployable camera in the specific VWI hotspot area in the town centre. In addition, the analysis was presented to the local Police tactical and tasking coordination group (TTCC) where the DCI tasked officers to patrol the hotspot areas in the town centre linked with the night-time economy. We have also tasked the Council's CCTV Team to prioritise these specific areas on their night shifts. We will continue to monitor and if VWI doesn't reduce we will consult licensing to target the specific pubs and clubs.
PL CS 03	Total hate crime offences (includes Homophobic, transphobic, religious, race and disability hate crimes)	Smaller is better	Monthly	12 months rolling to Dec 21	NA	1,016		NA	12 months rolling to Nov 21	994	12 months rolling to Dec 21	26,845	
PL CS 04	Hate crime offences (includes Homophobic, transphobic, religious, race and disability hate crimes) rate per 1,000 population	Smaller is better	Monthly	12 months rolling to Dec 21	5.82	2.61	↓		12 months rolling to Nov 21	2.56	12 months rolling to Dec 21	2.99	
PL CS 05	Total domestic violence offences	NA	Monthly	12 months rolling to Dec 21	NA	5,161		NA	12 months rolling to Nov 21	5,144	12 months rolling to Dec 21	95,479	
PL CS 06	Domestic violence offences rate per 1,000 population	NA	Monthly	12 months rolling to Dec 21	NA	13.28		NA	12 months rolling to Nov 21	13.24	12 months rolling to Dec 21	10.62	

Assistant Chief Executive

CROYDON DIGITAL SERVICE

RE CDS 01	Number of major incidents (P1 and P2)	Smaller is better	Monthly	Nov-21	5	18	↓		Oct-21	10		No comparable data available	This past month there were 15 repeated Ebase outages. The action taken on each occurrence was for Littlefish to restart the service on the server. All 15 incidents met the SLA. There is an action for Croydon Web Team to investigate & remediate the cause of the outages as these are impacting the user & resident base and Littlefish teams.
RE CDS 02	Suppliers within SLA for major incidents (P1 and P2)	Bigger is better	Monthly	Nov-21	100%	89%	↑		Oct-21	60%		No comparable data available	

REF.	INDICATOR	LATEST DATA							PREVIOUS DATA		BENCHMARKING		COMMENTS ON CURRENT PERFORMANCE
		Bigger or Smaller is better	Frequency	Timeframe	Target	Croydon position	Change from previous	RAG	Timeframe	Croydon position	Timeframe	London position	
RE CDS 03	% of issues first time fix (IT Service Desk)	Bigger is better	Monthly	Nov-21	80%	99%	↑		Oct-21	99%		No comparable data available	
RE CDS 04	Average website uptime	Bigger is better	Monthly	Dec-22	100%	100%	↔		Nov-21	100%		No comparable data available	
RE CDS 05	Number of total website visits	Bigger is better	Monthly	Dec-22	44,079	49,248	↑		Nov-21	38,965		No comparable data available	
RE CDS 06	Number of active MyAccount users	Bigger is better	Monthly	12 December '21- 9 January 2022 (4 weeks)	25000 - however this is decreasing as we are steadily decommissioning My Account	15827 - see notes	↑		Last 4 weeks (12 November-10 December)	25,819		No comparable data available	In the last month we have provided an alternative bin-day lookup solution that only signposts people to My Account if they are within the timeframe of being able to report a missed bin collection, otherwise it gives them advice and manages expectations. The Citizen Access portal has also gone live so some services have been moved out of My Account - that's council tax, benefits and business rates. So in short - we expect the numbers to continue going down as we set up new systems.
RE CDS 07	Number of projects in Delivery	Bigger is better	Quarterly	Dec-21	≥ projects queued	85	↓		Nov-21	86		No comparable data available	Additional capacity is needed in order to meet project demand. Situation now critical resulting in multiple resignations in CDS, risk to savings and statutory services, and frustrated stakeholders. ACE conducting rapid review to agree funding and resourcing approach for priority pipeline.
RE CDS 08	Number of projects Queued	Smaller is better	Quarterly	Dec-21	≤ projects in delivery	111	↓		Nov-21	110		No comparable data available	CDS Projects: Work in progress led by ACE and new interim Director to strike lower priority projects from the backlog and allocate Capital/Transformation funding resource to progress highest priority projects.
RE CDS 09	Total number of Freedom of Information (FOI) requests	N/A	Monthly	Nov-21	N/A	189			Oct-21	163		No comparable data available	
RE CDS 10	Total number of Freedom of Information (FOI) requests responded to with statutory time line	N/A	Monthly	Nov-21	N/A	89			Oct-21	87		No comparable data available	
RE CDS 11	% of Freedom of Information (FOI) requests responded to within statutory time line	Bigger is better	Monthly	Nov-21	90%	47%	↓		Oct-21	53%		No comparable data available	IM team was in wrong part of structure for 2.5 years, has been cut excessively and is now not fit for purpose. Urgent action in progress to bolster team, clear backlog and reshape it within new Digital & Resident Access division.
RE CDS 12	Total number of Subject Access Requests (SAR)	N/A	Monthly	Nov-21	N/A	42			Oct-21	30		No comparable data available	
RE CDS 13	Total number of Subject Access Requests (SAR) responded to within statutory timeline	N/A	Monthly	Nov-21	N/A	8			Oct-21	21		No comparable data available	
RE CDS 14	% of Subject Access Requests (SAR) responded to within statutory timeline	Bigger is better	Monthly	Nov-21	90%	19%	↓		Oct-21	70%		No comparable data available	IM team was in wrong part of structure for 2.5 years, has been cut excessively and is now not fit for purpose. Urgent action in progress to bolster team, clear backlog and reshape it within new Digital & Resident Access division.

HUMAN RESOURCES

RE HR 04	Recruitment process - % people appointed declared as Black, Asian, Mixed or White ethnic minority groups	Representative of Croydon Population is better	Quarterly	Q2 2021/22		67.10%			Q1 2021/22	48.65%		No comparable data available	
RE HR 02	Recruitment process - % people appointed declared as female	Representative of Croydon Population is better	Quarterly	Q2 2021/22		69.60%			Q1 2021/22	60.42%		No comparable data available	

HR / Directors / FDI board to work together to agree targets for these measures

Latest Update: DECEMBER 2021		KEY		CROYDON CORPORATE PERFORMANCE FRAMEWORK						CROYDON www.croydon.gov.uk		BENCHMARKING		COMMENTS ON CURRENT PERFORMANCE
		Red Amber Green Data but no target No data	Getting better Getting worse Same	LATEST DATA				PREVIOUS DATA		BENCHMARKING				
REF.	INDICATOR	Bigger or Smaller is better	Frequency	Timeframe	Target	Croydon position	Change from previous	RAG	Timeframe	Croydon position	Timeframe	London position		
RE HR 06	Recruitment process - % people appointed declared as LGBT	Representative of Croydon Population is better	Quarterly	Q2 2021/22		6.30%			Q1 2021/22	0.00%		No comparable data available		
RE HR 08	Recruitment process - % people appointed declared as disabled	Representative of Croydon Population is better	Quarterly	Q2 2021/22		12.33%			Q1 2021/22	2.78%		No comparable data available		
RE HR 09	Percentage of staff who are agency	Smaller is better	Monthly	Oct-21	15%	8%	↑		Sep-21	7%		No comparable data available		
RE HR 15	% LBC workforce declared as female	Representative of Croydon Population is better	Annual	Sep-21	53.00%	67.53%	↓		Jun-21	67.37%	March 2020	61.70%	Updated as at 21 Jan 2022 - A higher population of female staff is not unique to Croydon. Across Local Government, there is a higher female workforce population in local government. This may also in part be attributed to the very flexible nature of work. It is common, that in boroughs where there is a larger male population, the work force population of the council is higher for females. The CoP will review the data for Croydon workforce over a number of years to see if there has been any variance.	
RE HR 16	% LBC workforce declared as Black, Asian, Mixed or White ethnic minority groups	Representative of Croydon Population is better	Annual	Sep-21	49.00%	46.87%	↑		Jun-21	48.00%	March 2020	45%		
RE HR 17	% LBC workforce declared as LGBTQ	Representative of Croydon Population is better	Annual	Sep-21	5.00%	4.78%	↓		Jun-21	4.87%		No comparable data available	CoP is currently reviewing these measures in order to work with internal comms and staff network chairs to encourage staff to disclose information with regard to these protected characteristics. Work with the LGBTQ+ network group and staff network chairs / EDI training and development to support staff to ensure the culture is supportive, and they are confident to disclose.	
RE HR 18	% LBC workforce declared as Disabled	Representative of Croydon Population is better	Annual	Sep-21	11.00%	9.39%	↑		Jun-21	9.45%	March 2020	6.30%		
RE HR 19	% LBC workforce who have declared their gender	Representative of Croydon Population is better	Annual	Sep-21	100%	100%	↔		Jun-21	100%		No comparable data available		
RE HR 20	% LBC workforce who have not declared their ethnicity	Representative of Croydon Population is better	Annual	Sep-21	15%	29%	↑		Jun-21	31%	March 2020	12.20%		
RE HR 21	% LBC workforce who have not declared their sexual orientation	Representative of Croydon Population is better	Annual	Sep-21	15%	32%	↑		Jun-21	33%		No comparable data available	Measures under review, work with internal comms on an organisational comms campaign and staff network chairs to encourage staff to disclose information with regard to these characteristics. There is also a variation between departments around disclosure and this will also be reviewed further.	
RE HR 22	% LBC workforce who have not declared if they have a disability	Representative of Croydon Population is better	Annual	Sep-21	15%	30%	↑		Jun-21	31%		No comparable data available		
RE HR 23	Number of sick days per FTE	Smaller is better	Monthly	Rolling Year to Nov 21	5.6	6.87	↓		Rolling Year to Oct 21	6.47	Rolling Year to Mar 21	7.7 (approximate)	Slight increase from the previous month. Possibly due to Covid. Further analysis is under way, jointly with PH, HR and Business Intelligence to better understand the reasons behind sickness levels and to help inform support required.	

REF.	INDICATOR	Bigger or Smaller is better	Frequency	Timeframe	LATEST DATA				PREVIOUS DATA		BENCHMARKING		COMMENTS ON CURRENT PERFORMANCE
					Target	Croydon position	Change from previous	RAG	Timeframe	Croydon position	Timeframe	London position	
RE CM 01	Intranet page views (all of intranet)	Bigger is better	Monthly	Dec-21	200,000	162,140	↓	■	Nov-21	215,661		No comparable data available	Lower Croydon position is likely due to staff absence caused by Christmas/New Year annual leave and bank holidays and the rising number of staff absences due to COVID-19
RE CM 04	Increase in subscribers to YC Weekly e-bulletin from previous month	Bigger is better	Monthly	Dec-21	100	899	↑	■	Nov-21	2,173		No comparable data available	
RE CM 06	Increase in followers of corporate social media accounts from previous month – Facebook @ilovecroydon	Bigger is better	Monthly	Dec-21	To increase	43	↑	■	Nov-21	29		No comparable data available	
RE CM 08	Increase in followers of corporate social media accounts from previous month – Twitter @yourcroydon	Bigger is better	Monthly	Dec-21	To increase	120	↓	■	Nov-21	197		No comparable data available	
RE CM 10	Increase in followers of corporate social media accounts from previous month – Instagram @yourcroydon	Bigger is better	Monthly	Dec-21	To increase	51	↓	■	Nov-21	63		No comparable data available	
RE CM 15	Digital news hub – visits to site	Bigger is better	Monthly	Dec-21	25,000	33,678	↑	■	Nov-21	27,414		No comparable data available	Top three stories visited this month were: 1) Major upgrades to five Croydon parks; 2) Covid-19 local testing centre; 3) Latest phase of walking and cycling schemes approved

CONTACT CENTRE

ACE CC 01	Number of residents that tried to call us	NA	Monthly	Nov-21	N/A	23,212		■	Oct-21	23,211			
ACE CC 02	Number of residents we spoke to	NA	Monthly	Nov-21	N/A	16,383		■	Oct-21	16,883			
ACE CC 03	Number of residents that ended the call before we spoke to them	NA	Monthly	Nov-21	N/A	5,929		■	Oct-21	3,834			
ACE CC 04	% of residents that ended the call before we spoke to them	Smaller is better	Monthly	Nov-21	5.0%	25.0%	↓	■	Oct-21	16.5%			Current IVR (press 1, press 2) does not have the functionality to divert calls effectively. Current phone system is not fit for purpose and a new system is in the process of being procured. Intermittent daily issues including loss of sound and inability to carry out certain functions slows the system down and on occasions we have lost the entire system for several hours. A new provider has been chosen and in January 2022 we will be able to start working with that provider to implement both a new contact centre telephony system and a council wide telephony upgrade and refresh.
ACE CC 07	Average wait time (Minutes)	Smaller is better	Monthly	Nov-21	02:00	07.51	↓	■	Oct-21	05:03			Residents wait longer than we would like again due to the ageing telephony system - we are unable to divert demand away from the contact centre and reduce avoidable contacts in any great numbers until this happens. We also await the new CRM which will provide us with the data insight that we are currently lacking

Resources

DEMOCRATIC SERVICES

RE DS 01	Percentage of draft minutes produced within 10 working days;	Bigger is better	Monthly	Dec-21	95%	21%	↓	■	Oct-21	56%		No comparable data available	Due to increased demand the service has been unable to meet the statutory requirement for minutes since December 2020. The statutory requirement is for each council or committee meeting to be presented with the minutes of the previous meeting. We currently have a number of external people supporting us to clear the backlog of minutes and the ambition is for this to be complete by the end of February. The ten day target is a good practice target, it tends to follow that if we are not meeting this then we are likely to not be meeting the statutory minimum.
RE DS 02	Number of reports published after the statutory deadline	Smaller is better	Monthly	Dec-21	0	2	↑	■	Oct-21	7		No comparable data available	A new process is currently being embedded, requiring the publication of any late reports to be approved by the Monitoring Officer. This new process has been shared with all Directors and is anticipated to significantly reduce the number of late reports.

Latest Update: DECEMBER 2021		KEY		CROYDON CORPORATE PERFORMANCE FRAMEWORK					CROYDON www.croydon.gov.uk						
		Red	Amber	Green	Data but no target	No data	↑ Getting better	↓ Getting worse	↔ Same						
REF.	INDICATOR	Bigger or Smaller is better	Frequency	Timeframe	LATEST DATA				PREVIOUS DATA		BENCHMARKING		COMMENTS ON CURRENT PERFORMANCE		
					Target	Croydon position	Change from previous	RAG	Timeframe	Croydon position	Timeframe	London position			
RE DS 03	Percentage of information requests from the Scrutiny Committee responded to within the statutory timescale	Bigger is better	Monthly	Dec-21	100%	N/A		N/A	Oct-21	No requests made in the period.		No comparable data available			

Children, Young People & Education

EARLY HELP AND CHILDREN'S SOCIAL CARE

CFE CSC 02	Percentage of Early Help cases that were stepped up to Children Social Care (CSC)	Smaller is better	Monthly	Dec-21	15%	10%	↑		Nov-21	15%		No comparable data available	
CFE CSC 03	Percentage of CSC referrals that were stepped down from CSC into Early Help	Bigger is better	Monthly	Dec-21	5%	2%	↔		Nov-21	2%		No comparable data available	After a period of statutory intervention, some families would benefit from an additional period of support. The main reason noted for not stepping down to Early Help (EH) is lack of parental consent therefore focused work between Social Work with Families (SWwF) teams and EH teams is taking place to identify opportunities for joint work to increase effective step down which is also likely to decrease re-referral rates. It is anticipated that performance will improve over the last quarter of the year.
CFE CSC 04	Percentage of re-referrals within 12 months of the previous referral	Smaller is better	Monthly	Dec-21	22%	25%	↔		Nov-21	25%	2020/21	19%	A multi-agency dip sample undertaken in September 2021 highlighted that the quality of some child and family assessments is insufficient in highlighting all areas of children's needs and / or risk, resulting in their needs growing and escalating, which results in subsequent re-referrals. To address this, practice uplift in improving the quality of assessments and plans is being offered through training and the learning from this dip sample is to be presented in team and service meetings, workshops and in enhancing the management oversight of recommendations made by improving the quality of reflective supervision. It will take time to embed practice improvements; however, it is anticipated that we will start to see improvements in the next three months.
CFE CSC 08	Percentage of Children in Need (CiN) for who had review on time (those allocated to CWD teams)	Bigger is better	Monthly	Dec-21	95%	76%	↓		Nov-21	78%		No comparable data available	Recruitment challenges and staff sickness are significant for this indicator. Management information is currently being reviewed to ensure accurate identification of children with disabilities who have a Child in Need (CIN) pathway of intervention; this review will increase the performance combined with continuous focus on completion of CIN reviews in timescale. Improvements will be gradual over the forthcoming 6 months.
CFE CSC 10	Net current expenditure per child on local Children Looked After (CLA) placements	Smaller is better	Monthly	Dec-21	£52,000	£44,154	↑		Nov-21	£47,912		No comparable data available	
CFE CSC 12	Rate of local CLA per 10,000 under 18 years population	Smaller is better	Monthly	Dec-21	#REF!	#REF!	↓		Nov-21	46.9	2020/21	40.8	
CFE CSC 13	Number of Unaccompanied Asylum Seeking Children (UASC) CLA	Smaller is better	Monthly	Dec-21	66	124	↓		Nov-21	123		No comparable data available	Croydon continues to accept Unaccompanied Asylum Seeking Children (UASC) outside of the National Transfer Scheme (NTS) i.e. those who present disputing the age assessment undertaken, particularly those who have been placed in Hotels by the Home Office. A reduction in the number of UASC Croydon is responsible for occurs gradually as children turn 18, and as the NTS redirects responsibility for children who present at Luna House. Current modelling indicates that the 0.07% will be achieved by March 2024 however this is dependent upon the continuation of the new NTS. 0.07% is the national threshold (66 children)
CFE CSC 14	Percentage of the under 18 years population who are UASC	Smaller is better	Monthly	Dec-21	0.07%	0.13%	↔		Nov-21	0.13%	2020/21	0.06%	London position for LAs in the pan London rota. See above for commentary for CFE CSC 13
CFE CSC 16	Percentage of care leaver population formerly UASC	N/A	Monthly	Dec-21	Monitoring indicator (see comment for rationale)	64%		N/A	Nov-21	62%		No comparable data available	There is no target because this is a monitoring indicator to follow the progress in delivering CFE CSC 14.

REF.	INDICATOR	Bigger or Smaller is better	LATEST DATA						PREVIOUS DATA		BENCHMARKING		COMMENTS ON CURRENT PERFORMANCE
			Frequency	Timeframe	Target	Croydon position	Change from previous	RAG	Timeframe	Croydon position	Timeframe	London position	
CFE CSC 21	Average Caseload per allocated Social Worker in Children's Social Care	Smaller is better	Monthly	Dec-21	17.0	15.4	↓	Green	Nov-21	15.2		No comparable data available	
CFE CSC 23	Number of qualified social workers in post in Croydon after 3 years as a percentage of the establishment of qualified social workers							Black				No comparable data available	The performance team are finalising the measure with HR / service.
CFE CSC 25	Percentage of Child Protection Children subject to a plan for a second or subsequent time	Smaller is better	Monthly	Dec-21	18%	22%	↑	Red	Nov-21	24%	2020/21	18%	The proportion of children who are the subject a child protection (CP) plan for a subsequent time has reduced gradually from May 2021 to the current position. Consistent review and learning from the experiences of these children informs practice to recognise where change is needed to lower the likelihood of children needing child protection intervention for a second time. This measure looks at repeat CP plans at any time and within this cohort 52% have a repeat plan within the last two years; 26% between 2- 5 years and 22% more than 5 years ago. We continue to undertake reviews of children who return into CP framework each month and consider legal actions where necessary. Given the duration of CP planning and the proportion of the overall cohort the timescale we expect to be closer to our target by June 2022.

EDUCATION

CFE E 02	Number of children under 5 attending children's centre							N/A				No comparable data available	Data will be available from January when the new model is in place.
CFE E 10	Percentage of children with an EHCP educated in-borough mainstream schools	Bigger is better	Monthly (Latest)	Dec-21	To increase	30%	↑	Green	Nov-21	29%		No comparable data available	
CFE E 11	Average caseload per Special Educational Needs caseworker	Smaller is better	Monthly (Latest)	Dec-21	Performance team are working with the service to agree	190	↓	Grey	Nov-21	189		No comparable data available	The performance team are working with the service to agree target.
CFE E 13	Number of Education Health & Care Plans issued (excluding exceptions)	N/A	Monthly (Cal-YTD)	Dec-21	N/A	302		N/A	Nov-21	268	2020	8613	
CFE E 14	Percentage of Education Health & Care Plans issued within 20 weeks (excluding exceptions)	Bigger is better	Monthly (Cal-YTD)	Dec-21	62%	43%	↓	Red	Nov-21	46%	2020	62%	The 0-11 SEN team issued the majority of EHCPs in December (31/34) and those issued after 20 weeks were all linked to this team. The service was not fully recruited to until November with 6 vacancies due to staff leaving and maternity leave. There was then a period of induction and training. The high caseloads are proving a continued challenge across the service.

Adult Social Care & Health

COMMUNITY EQUIPMENT SERVICE

HWA 1	Total Hours of Home Care (18-64)		Monthly	Dec-21	6,586	6,848.42	↓	Yellow	Nov-21	6,637.33		No comparable data available	The position has seen a 3% increase from November, and is 4% above the indicator target. This can be attributed to winter pressure, Covid, Hospital Discharges, and a decrease in 18-64 residential and nursing placements. Feb-Mar 22 performance will indicate if winter pressures are subsiding.
HWA 2	Total Hours of Home Care (65+)		Monthly	Dec-21	17,097	17,128.50	↓	Yellow	Nov-21	16,871.00		No comparable data available	The position has seen a 1.5% increase from November, and is 0.2% above the indicator target. This can be attributed to winter pressure, Covid, Hospital Discharges, and a decrease in 18-64 residential and nursing placements. Feb-Mar 22 performance will indicate if winter pressures are subsiding, although the system agreed 'home first' approach will impact home care.

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REF.	INDICATOR	Bigger or Smaller is better	LATEST DATA						PREVIOUS DATA		BENCHMARKING		COMMENTS ON CURRENT PERFORMANCE
			Frequency	Timeframe	Target	Croydon position	Change from previous	RAG	Timeframe	Croydon position	Timeframe	London position	
HWA 3	Total Number of People in Home Care (18-64)		Monthly	Dec-21	642	670	↓	Amber	Nov-21	646		No comparable data available	Home Care for 18-64 has seen a 4% increase in numbers moving away from target. Given the additional pressures from Covid, and the usual increase in numbers receiving care in the winter months this is still a positive position. There is potential for further increases in numbers during January and February. These are planned numbers not actuals. Actual costs are roughly 20% lower than commitments.
HWA 4	Total Number of People in Home Care (65+)		Monthly	Dec-21	1,341	1,314	↓	Green	Nov-21	1,291		No comparable data available	Home Care for 65+ has seen a 2% increase, but remains within target. Given the additional pressures from Covid, and the usual increase in numbers receiving care in the winter months this is still a positive position. There is potential for further increases in numbers during January and February. These are planned numbers not actuals. Actual costs are roughly 20% lower than commitments.
HWA 5	Average Hours in Care Package (18-64)		Monthly	Dec-21	11	10.27	↑	Green	Nov-21	10.32		No comparable data available	Traditionally at this time of year, winter pressure, we would expect a rise in residents supported, that the rise in the last period, remains within target, is an early indicator that approaches to demand management are effective. The strategic managing demand programme being delivered in 2022, will further develop the impact evaluation framework that will provide evidence.
HWA 6	Average Hours in Care Package (65+)		Monthly	Dec-21	13	13.04	↓	Amber	Nov-21	13.07		No comparable data available	Traditionally at this time of year, winter pressure, we would expect a rise in residents supported, that the rise in the last period, remains within target, is an early indicator that approaches to demand management are effective. The strategic managing demand programme being delivered in 2022, will further develop the impact evaluation framework that will provide evidence.
HWA 11	Number of People in Residential & Nursing Care (18-64)		Monthly	Dec-21	481	470	↑	Green	Nov-21	472		No comparable data available	Our priority, is that residents have had wider options explored both in terms of reablement, home care and supported living; before residential and nursing options are used. A reduction in this indicator, would lead to an expected pressure on home care indicators.
HWA 12	Number of People in Residential & Nursing Care (65+)		Monthly	Dec-21	668	692	↓	Amber	Nov-21	678		No comparable data available	Our priority, is that residents have had wider options explored both in terms of reablement, home care and supported living; before residential and nursing options are used. The rise in the position, is attributed to hospital discharge / winter & Covid pressure. System partners have agreed to a 'home first' approach as the priority / primary consideration, which should improve the position going forward.
HWA 15	Conversion rate of Contact to Support		Monthly	Dec-21	15%	10%	↔	Green	Nov-21	10%		No comparable data available	Although the position is holding well against target. This aligns with the demand modelling programme that will review the croydon adult support functions (front door, website and information advice and guidance), during 2022.

COMMUNITY EQUIPMENT SERVICE

RE CES 03	% of Croydon Equipment Service delivery / collection / maintenance / repairs within the agreed timeframe	Bigger is better	Monthly	Nov-21	95%	90.6%	↓	Amber	Oct-21	91.7%		No comparable data available	November deliveries, collection and repairs exceeded the target of 95%, with adaptations below the 95% target at 87.6% due to staff absences which have limited available resources. PPMs were also below target at 63.2% due to ongoing client hesitancy to allow technicians to complete the maintenance, and ongoing effort to reduce the backlog caused by the pandemic.
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Housing

HOMELESSNESS

HOU 01	Number of Homeless Applications Made	N/A	Monthly	Dec-21	N/A	174		N/A	Nov-21	290		No comparable data available	
HOU 02	Percent of homelessness cases prevented	Bigger is better	Monthly	Dec-21	25.0%	41.0%	↔	Green	Nov-21	41.0%		No comparable data available	
HOU 03	Percent of homelessness cases relieved	Bigger is better	Monthly	Dec-21	25.0%	29.0%	↓	Green	Nov-21	30.0%		No comparable data available	
HOU 04	Number of homelessness cases assisted by intervention	Bigger is better	Monthly	Dec-21	10	17	↑	Green	Nov-21	14		No comparable data available	
HOU 06	Total households in Temporary accommodation	Smaller is better	Monthly	Dec-21	2,400	2,151	↓	Green	Nov-21	2,122		No comparable data available	
HOU 13	DHP – no. of residents supports	Bigger is better	Monthly	Dec-21	333	732	↑	Green	Nov-21	658		No comparable data available	Our biggest reason for supporting residents is deposit and rent in advance, which in turn is then our highest spend

REF.	INDICATOR	Bigger or Smaller is better	Frequency	LATEST DATA					PREVIOUS DATA		BENCHMARKING		COMMENTS ON CURRENT PERFORMANCE
				Timeframe	Target	Croydon position	Change from previous	RAG	Timeframe	Croydon position	Timeframe	London position	
HOU 14	Amount of cost avoidance on homeless prevention achieved	Bigger is better	Monthly	YTD Dec-21	£1,666,667	£3,564,000	↑		YTD Nov-21	£3,294,000		No comparable data available	
HOU 15	EA/TA – total debt collected	Bigger is better	Monthly	YTD Dec-21	£22,009,024	£21,174,159	↑		YTD Oct-21	£18,589,544		No comparable data available	New accounts created for NRPF care leavers, to be recharged to service. Every quarter. Q2 and Q3 recharges not yet processed. Since the loss of the Income maximisation team for care leavers we have seen a large rise in debt. There is a lack of capacity in the leaving care service to assist with benefit claims meaning rent is not being paid. We are working to address this as part of the Housing Savings targets Projects.
HOU 16	EA/TA – total debt collection rate	Bigger is better	Monthly	YTD Dec-21	95%	91.4%	↓		YTD Oct-21	92%		No comparable data available	As above
HOU 17	NRPF – total cases supported	Smaller is better (Below 85 will keep us to budget)	Monthly	YTD Dec-21	85	63	↑		YTD Nov-21	68		No comparable data available	
HOU 18	NRPF – total cases supported budget spend to date	Smaller is better	Monthly	YTD Dec-21	£1,309,500	£1,075,238	↓		YTD Nov-21	£987,376		No comparable data available	

COUNCIL RESIDENT SATISFACTION SURVEY

Page 408	HOU 19	% who are very or fairly satisfied with the overall quality of your home	Bigger is better	Quarterly	Q3 2021/22	68.94%	71.00%	↑		Q3 2020/21	66.48%	Q3 2021/22	68.94%	
	HOU 20	% who are very or fairly satisfied with the way Croydon Council deals with repairs and maintenance	Bigger is better	Quarterly	Q3 2021/22	60.32%	55.00%	↓		Q3 2020/21	62.29%	Q3 2021/22	60.32%	
	HOU 21	% who are very or fairly satisfied that Housing services are easy to deal with	Bigger is better	Quarterly	Q3 2021/22	65.00%	51.00%	↓		Q3 2020/21	63.43%	Q3 2021/22	65.00%	We have recently re-commenced sampling for this indicator. Previous data is from Q3 20/21. The fall during this period is concerning. Benchmarking shows that many landlords have experienced falls in this indicator over this period, presumably due to pandemic-related changes in management and services. However, there are also likely to be Croydon-specific factors at play and further work will be done to explore these.
	HOU 22	% who are very or fairly satisfied that Croydon Council listens to your views and acts upon them	Bigger is better	Quarterly	Q3 2021/22	52.57%	53.00%	↓		Q3 2020/21	53.64%	Q3 2021/22	52.57%	
	HOU 23	% who are very or fairly satisfied that Housing services gives you the opportunity to make your views known	Bigger is better	Quarterly	Q3 2021/22	48.00%	47.00%	↓		Q3 2020/21	50.15%	Q3 2021/22	48.00%	

REPAIRS

HOU 24	Number of lift entrapments	Smaller is better	Monthly	Dec-21	0	3	↓		Nov-21	0		No comparable data available	There were three entrapments in December, all were attended within an hour.
HOU 25	Lifts - compliancy rate (statutory insurance inspections)	Bigger is better	Monthly	Dec-21	100%	100%	↔		Nov-21	100%		No comparable data available	
HOU 26	Lifts - compliancy with statutory inspection regime (category A)	Bigger is better	Monthly	Dec-21	100%	100%	↔		Nov-21	100%		No comparable data available	
HOU 50	Number of domestic properties	N/A	Monthly	Dec-21	N/A	13,737		N/A	Nov-21	13,672		No comparable data available	Additional properties purchased this month
HOU 27	Number of domestic properties without valid LGSR (1-4 amber)	N/A	Monthly	Dec-21	N/A	14		N/A	Nov-21	6		No comparable data available	All outstanding gas inspections will be completed by end of January.
HOU 28	% Domestic properties with valid Landlords Gas Safety Certificate (LGSR)	Bigger is better	Monthly	Dec-21	100%	99.9%	↔		Nov-21	99.9%		No comparable data available	
HOU 29	Number of communal properties without valid LGSR	N/A	Monthly	Dec-21	N/A	0		N/A	Nov-21	0		No comparable data available	












Latest Update: DECEMBER 2021		KEY		CROYDON CORPORATE PERFORMANCE FRAMEWORK						CROYDON www.croydon.gov.uk		BENCHMARKING		COMMENTS ON CURRENT PERFORMANCE
		Red Amber Green Data but no target No data	Getting better Getting worse Same	LATEST DATA					PREVIOUS DATA		Timeframe	London position		
REF.	INDICATOR	Bigger or Smaller is better	Frequency	Timeframe	Target	Croydon position	Change from previous	RAG	Timeframe	Croydon position	Timeframe	London position		
HOU 30	% Communal properties with valid Landlords Gas Safety Certificate (LGSR)	Bigger is better	Monthly	Dec-21	100%	100%	↔	Green	Nov-21	100%		No comparable data available		
HOU 31	Water Hygiene inspections completed	N/A	Monthly	Dec-21	N/A	14		N/A	Nov-21	9		No comparable data available		
HOU 32	Water Hygiene inspection, % completed in target	Bigger is better	Monthly	Dec-21	100%	87.5%	↓	Red	Nov-21	100%		No comparable data available	2 inspections cancelled due to inspector having Covid. Rebooked week commencing 17/01/22	
HOU 36	Fire Risk Assessment (FRA) required	N/A	Monthly	Dec-21	N/A	752		N/A	Nov-21	752		No comparable data available		
HOU 37	Number of FRA completed	N/A	Monthly	Dec-21	N/A	752		N/A	Nov-21	752		No comparable data available		
HOU 38	% FRA completed in target	Bigger is better	Monthly	Dec-21	100%	100.00%	↔	Green	Nov-21	100.00%		No comparable data available		
HOU 39	Responsive repairs logged in month	N/A	Monthly	Nov-21	N/A	7004		N/A	Oct-21	5432		No comparable data available		
HOU 40	Responsive repairs completed in month	N/A	Monthly	Nov-21	N/A	3958		N/A	Oct-21	3843		No comparable data available		
HOU 41a	% of Responsive Repairs on time (GB) Combined Immediate & Out of hours - P0 & P00 (2 hours)	Bigger is better	Monthly	Nov-21	100%	100%	↔	Green	Oct-21	100%		No comparable data available		
HOU 41b	% of Responsive Repairs on time (GB) Emergency-P1 (1 day)	Bigger is better	Monthly	Nov-21	100%	100%	↔	Green	Oct-21	100.0%		No comparable data available		
HOU 41c	% of Responsive Repairs on time (GB) Urgent- P2 (3 Days)	Bigger is better	Monthly	Nov-21	99%	60%	↑	Red	Oct-21	48.6%		No comparable data available	The performance across these three indicators has been below target for several months but has slightly improved during last month. Poor performance has been affected by a number of factors, primarily contractor resources.	
HOU 41d	% of Responsive Repairs on time (GB) Routine- P15 (15 days)	Bigger is better	Monthly	Nov-21	98%	63%	↓	Red	Oct-21	65.5%		No comparable data available	Contract review meetings review the contractors action plan to increase contract resourcing, which has improved over the past two months. Actions are in place to continue to increase resourcing which is assessed on a weekly basis. The context of labour shortages caused by Brexit and the pandemic are exacerbating the current challenges.	
HOU 41e	% of Responsive Repairs on time (GB) Major- P16 (60 days)	Bigger is better	Monthly	Nov-21	99%	75%	↑	Red	Oct-21	71.9%		No comparable data available	Currently, the number of urgent and emergency jobs being raised are higher than usual, which is drawing resources away, which is also affecting performance.	
HOU 41f	% repairs (GB) completed on First visit	Bigger is better	Monthly	Nov-21	94%	94.3%	↑	Green	Oct-21	94.1%		No comparable data available		
HOU 42a	% of Responsive Repairs on time (GAS) Combined Immediate & Out of hours - P0 & P00 (2 hours)	Bigger is better	Monthly	Nov-21	100%	100.0%	↔	Green	Oct-21	100.0%		No comparable data available		
HOU 42b	% of Responsive Repairs on time (GAS) Emergency-P1 (1 day)	Bigger is better	Monthly	Nov-21	100%	99.8%	↓	Amber	Oct-21	100.0%		No comparable data available		
HOU 42c	% of Responsive Repairs on time (GAS) Urgent- P2 (3 Days)	Bigger is better	Monthly	Nov-21	100%	100.0%	↔	Green	Oct-21	100.0%		No comparable data available		
HOU 42d	% of Responsive Repairs on time (GAS) Routine- P15 (15 days)	Bigger is better	Monthly	Nov-21	100%	100.0%	↔	Green	Oct-21	100.0%		No comparable data available		

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REF.	INDICATOR	Bigger or Smaller is better	LATEST DATA						PREVIOUS DATA		BENCHMARKING		COMMENTS ON CURRENT PERFORMANCE
			Frequency	Timeframe	Target	Croydon position	Change from previous	RAG	Timeframe	Croydon position	Timeframe	London position	
HOU 42e	% of Responsive Repairs on time (GAS) Major- P16 (60 days)	Bigger is better	Monthly	Nov-21	100%	N/A		N/A	Oct-21	N/A		No comparable data available	
HOU 42f	% repairs (GAS) completed on First visit	Bigger is better	Monthly	Nov-21	96%	95.1%	↓		Oct-21	97.4%		No comparable data available	
HOU 45	Number of incoming calls received to Customer Contact Centre	N/A	Monthly	Nov-21	N/A	12,126		N/A	Oct-21	11,385		No comparable data available	The previous trend of high call volumes has continued into November. This has been caused by and increased volume of day to day repair calls and gas breakdowns. It is not unusual to experience higher call volumes over the winter months.
HOU 46	% calls answered by Axis Contact Centre	Bigger is better	Monthly	Nov-21	95%	92%	↑		Oct-21	80.0%		No comparable data available	<p>The performance in this area has significantly improved as compared to previous months but is still slightly under target. The action plan to address the previous low performance has started showing positive result.</p> <p>Resources in the contact centre has increased from 9 to 12 operatives (repairs and gas), with further recruitment ongoing. The intention is to bring staffing levels up to 15 although this is not likely to be achieved until the new year. In addition, the contact centre has now been co-located within BWH alongside the Council's repairs team to create greater synergies to improve services to residents.</p> <p>Whilst this indicator reports on the contact centre performance, focus through the contract meetings has been placed upon routes for contact including for example email contacts. As a result, performance has improved with faster response times, which in turn should reduce the number of repeat contacts across all channels.</p>
HOU 47	Number of Voids Repairs completed in month	N/A	Monthly	Nov-21	N/A	55		N/A	Oct-21	45		No comparable data available	
HOU 48	Average Time taken (Days) to complete Void Repairs (FROM handed over to Axis TO PI pass date for qualifying voids)	Smaller is better	Monthly	Nov-21	10	30	↓		Oct-21	28		No comparable data available	Performance in this area has been below target for sometime. As a result an action plan has been developed to improve performance. Currently the number of properties becoming empty is higher than usual and the amount of works required much greater. Together this has created a slower turn around time for those properties. To address this, the council is looking for alternative delivery routes to increase capacity.
HOU 49	Volume of leaks	Smaller is better	Monthly	Nov-21		732			Oct-21	567		No comparable data available	

HOUSING INCOME

HOU 49	Total rent due (Inc. arrears brought forward)	N/A	Monthly	April-December 21	N/A	61,574,828		N/A	April-November 21	56,488,654		No comparable data available	
HOU 51	Total rent collected (Inc. arrears brought forward)	N/A	Monthly	April-December 21	N/A	58,346,617		N/A	April-November 21	52,253,137		No comparable data available	Causes - Target not met as a result of Covid, Residents being furloughed, delays in DWP payments. Suspension of Evictions, staff shortages, not being able to visit tenants at their properties due to Covid restrictions.
HOU 52	Rent collected as a % rent due (Inc. arrears brought forward)	Bigger is better	Monthly	April-December 21	97%	94.8%	↑		April-November 21	92.5%		No comparable data available	
HOU 53	Gross Current Tenant Arrears (£)	Smaller is better	Monthly	Dec-21	4,855,286	4,674,658	↑		Nov-21	5,232,406		No comparable data available	Actions: - Vacant posts recruited to, officers are actively following through on rent arrears recovery action. Income Maximisation: Working closely with DWP, Targeted approach with claimants to get them back into employment, setting up a direct payment plan with tenants
HOU 54	Number of Households receiving Universal Credit (Active Only)	N/A	Monthly	Dec-21	N/A	4,121		N/A	Nov-21	4,082		No comparable data available	

Latest Update: DECEMBER 2021		KEY		CROYDON CORPORATE PERFORMANCE FRAMEWORK						CROYDON www.croydon.gov.uk							
		 Red	 Amber	 Green	 Data but no target	 No data	 Getting better	 Getting worse	 Same	LATEST DATA			PREVIOUS DATA		BENCHMARKING		
REF.	INDICATOR	Bigger or Smaller is better	Frequency	Timeframe	Target	Croydon position	Change from previous	RAG	Timeframe	Croydon position	Timeframe	London position	COMMENTS ON CURRENT PERFORMANCE				
HOU 55	Number of tenancies	N/A	Monthly	Dec-21	N/A	13,230		N/A	Nov-21	13,223		No comparable data available					
HOU 56	% of tenancies with arrears of more than 7 weeks rent	Smaller is better	Monthly	Dec-21	8%	12%	↑		Nov-21	13%		No comparable data available	Timescale for Improvements: The action taken is ongoing and the timeline we are working to is to achieve the target in year. All actions have been implemented and we expect to see improvements in year and going forward.				
HOU 57	Number of tenancies with arrears of more than 7 weeks rent	N/A	Monthly	Dec-21	N/A	1,652		N/A	Nov-21	1,773		No comparable data available					
HOU 58	Number of tenancies with arrears of more than 10 weeks rent (UC households only)	N/A	Monthly	Dec-21	N/A	700		N/A	Nov-21	774		No comparable data available					
HOU 59	% of tenancies with arrears of more than 10 weeks rent (UC households only)	Smaller is better	Monthly	Dec-21	12%	17.0%	↑		Nov-21	19.0%		No comparable data available					
HOU 60	Number of households paying direct debit	N/A	Monthly	Dec-21	N/A	1,597		N/A	Nov-21	1,591		No comparable data available					
HOU 61	% of households paying direct debit	Bigger is better	Monthly	Dec-21	15%	12%	↔		Nov-21	12%		No comparable data available	We are looking at some publicity on the Intranet to encourage tenants to pay by Direct Debit. There is a risk to the council incurring additional costs for failed Direct Debits. UC tenants are reluctant to pay by DD due to their benefit payments being paid in arrears and they may not have sufficient funds to cover the payments leading to bank charges				

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REPORT TO:	CABINET 21st March 2022
SUBJECT:	INVESTING IN OUR BOROUGH
LEAD OFFICER:	PETER MITCHELL, DIRECTOR OF COMMERCIAL INVESTMENT Jane West, S151 OFFICER & CORPORATE DIRECTOR OF RESOURCES
CABINET MEMBER:	COUNCILLOR CALLTON YOUNG CABINET MEMBER FOR RESOURCES AND FINANCIAL GOVERNANCE
WARDS:	ALL
CORPORATE PRIORITY/POLICY CONTEXT	
<p>Effective outcome based commissioning and prudent financial transactions contribute to all corporate priorities.</p> <p>The Council's Commissioning Framework (2019 – 2023) sets out the approach to commissioning and procurement and puts delivery of outcomes at the heart of the decision making process. As the Council develops more diverse service delivery models, it is important to ensure that our contractual and partnership relationships are not only aligned to our corporate priorities but also represent value for money for citizens and taxpayers.</p>	
FINANCIAL SUMMARY: Financial implications are set out in each individual report.	
KEY DECISION REFERENCE NO.:	
There are key decisions mentioned in this report, but approval of the Recommendations would not constitute a key decision.	

The Leader of the Council has delegated to the Cabinet the power to make the decisions set out in the recommendations below

1 RECOMMENDATIONS

1.1 The Cabinet is requested to note:

1.1.1 The request for approval of the award for Children with Disabilities Care Provider Register (CPR) as set out in agenda item 13b and section 5.1.1.

1.1.2 The request for approval of the contract variation for Residual Waste Treatment Contract Variation as set out in agenda item 13a and section 5.1.1.

1.1.3 Contract award decisions to be made between £500,000 and £5,000,000 by the nominated Cabinet Member or, where the nominated

Cabinet Member is in consultation with the Leader as set out in section 5.3.1.

1.1.4 Delegated award decisions made by the Director of Commercial Investment since the last meeting of Cabinet, as set out in section 5.4.1

1.1.5 Property lettings, acquisitions and disposals to be agreed by the Cabinet Member for Resources and Financial Governance in consultation with the Leader since the last meeting of Cabinet, as set out in section 5.5.1

1.1.6 The Cabinet recommends to the Leader of the Council, that prior to the next meeting of Cabinet in June, in respect of decisions requiring Cabinet's approval, or prior reporting to Cabinet, concerning the acquisition or disposal of property, procurement strategies and contract awards and variations:

1.1.6.1 The Cabinet Member for Resources and Financial Governance* in consultation with the Leader*, be authorised to agree such decisions concerning the disposal or acquisition of properties;

1.1.6.2 The nominated Cabinet Member* in consultation with the Cabinet Member for Resources and Financial Governance* or, where the nominated member is the Cabinet Member for Resources and Financial Governance in consultation with the Leader*, be authorised to agree such decisions concerning procurement strategies and the award and/or variation of contracts;

Note that any awards made under this delegation will be notified in the standard contracts report to the next meeting for Cabinet

*Following the Local Government and Mayoral Elections on 5th May 2022, the relevant member of the Executive carrying the appropriate and relevant function/portfolio as the Leader/nominated Cabinet Member/ Cabinet Member for Resources & Financial Governance as the case may be.

2 EXECUTIVE SUMMARY

2.1 This is a standing report which is presented to the Cabinet, for information, at every scheduled Cabinet meeting to update Members on:

- Contract awards and strategies to be agreed by the Cabinet at this meeting which are the subject of a separate agenda item;
- Revenue and capital consequences of contract award decisions taken by the Leader due to decisions required prior to the March Cabinet meeting;

- Contracts between £500,000 and £5,000,000 anticipated to be awarded under delegated authority from the Leader by the nominated Cabinet Member, in consultation with the Cabinet Member for Resources and Financial Governance and with the Leader in certain circumstances, before the next meeting of Cabinet;
- Delegated contract award decisions made by the Director of Commercial Investment since the last meeting of Cabinet;
- Property lettings, acquisitions and disposals to be agreed by the Cabinet Member for Resources and Financial Governance in consultation with the Leader since the last meeting of Cabinet;
- Partnership arrangements to be agreed by the Cabinet at this meeting which are the subject of a separate agenda item.
[As at the date of this report there are none]

3 DETAIL

- 3.1 Section 5.1.1 of this report lists those contract and procurement strategies that are anticipated to be awarded or approved by the Cabinet.
- 3.2 Section 5.2.1 of this report lists those contract award decisions taken by the Leader due to decisions required prior to the March Cabinet meeting.
- 3.3 Section 5.3.1 of this report lists those contracts that are anticipated to be awarded by the nominated Cabinet Member
- 3.4 Section 5.4.1 of this report lists the delegated award decisions made by the Director of Commercial Investment since the last meeting of Cabinet.
- 3.5 Section 5.5.1 of this report lists the property acquisitions and disposals to be agreed by the Cabinet Member for Resources & Financial Governance in consultation with the Leader since the last meeting of Cabinet.
- 3.6 The Council's Procurement Strategy and Tender & Contracts Regulations are accessible under the Freedom of Information Act 2000 as part of the Council's Publication Scheme. Information requested under that Act about a specific procurement exercise or contract held internally or supplied by external organisations, will be accessible subject to legal advice as to its commercial confidentiality, or other applicable exemption, and whether or not it is in the public interest to do so.

4 PRE-DECISION SCRUTINY

- 4.1 This report does not require pre-decision as all the reports listed below are compliant with the Council's Tender & Contracts Regulations.

5 FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

5.1 Proposed Strategy and Award approvals

5.1.1 Procurement strategies and awards for the purchase of goods, services and works with a possible contract value over £5 million decisions to be taken by Cabinet which are agenda items 13a and 13b.

Award/Strategy	Contract Revenue Budget	Contract Capital Budget	Annual Spend	Dept/Cabinet Member
Children with Disabilities Care Provider Register (CPR)	£5,846,813 (Total aggregated Spend)		£1,461,703.06	Cllr Alisa Flemming Cabinet Member for Children, Young People and Learning Cllr Callton Young Cabinet Member for Resources and Financial Governance
Residual Waste Treatment Contract Variation	-£443,000 (value of variation to Croydon Council) £262,000,000 (revised total aggregated value)		£10,859,000	Cllr Ali for Sustainable Croydon Cllr Callton Young for Resources and Financial Governance

5.2 Contract Award decisions taken by the leader

5.2.1 Revenue and capital consequences of contract award decisions taken by the Leader due to decisions required prior to the March Cabinet meeting.

Contract Title	Contract Revenue Budget	Contract Capital Budget	Annual Spend	Dept/Cabinet Member
	£ (value of extension) £ (Total aggregated spend)		£	

5.3 Contract Awards

5.3.1 Revenue and Capital consequences of contract award decisions to be made between £500,000 and £5,000,000 by the nominated Cabinet Member in consultation with the Cabinet Member for Resources & Financial Governance or, where the nominated Cabinet Member is the Cabinet Member for Resources & Financial Governance, in consultation with the Leader.

Contract Title	Contract Revenue Budget	Contract Capital Budget	Annual Spend	Dept/Cabinet Member
Capita One, Education Management System, Support & Maintenance Contract Extension	£143,744 (value of 1 year extension) £ 1,085,000 (total aggregated spend)		£143,744	Cllr Callton Young Cabinet Member for Resources and Financial Governance

5.4 Strategy and Contract Awards

5.4.1 Revenue and Capital consequences of delegated decisions made by the Director of Commercial Investment for procurement strategies up to £5 million, contract awards (Regs. 11, 28.4 a & b) between £100,000 and £500,000 and contract extension(s) previously approved as part of the original contract award recommendation (Reg. 28.4 d) and contract variations (Reg.30).

Contract Title	Contract Revenue Budget	Contract Capital Budget	Annual Spend	Dept
St Giles and Rutherfords Minibus Contract Strategy	£4,000,000 (contract length of 3 + 1 years)		£1,000,0000	SCRER

CONTRACT VARIATIONS & EXTENSIONS						
Contract Title	Value of Contract to Date	Value of Extension Term	Total Revenue value including extension term	Contract Capital Budget	Annual Spend	Dept.

5.5 Acquisitions and Disposals

5.5.1 Revenue and Capital consequences of property acquisitions and disposals over £500,000 to be agreed by the Cabinet Member for Resources and Financial Governance in consultation with the Leader.

Contract Title	Disposals	Acquisitions	Dept/Cabinet Member
Property Disposal Update as part of the Interim Asset Disposal Strategy	Addington Community Centre and 90 Central Parade		Resources and Financial Governance/Cllr Young
Increasing Housing Supply		Ten 3 bed houses in Tollers Estate Old Coulsdon	Resources and Financial Governance/Cllr Young

Approved by: Matthew Davis, Interim Director of Finance, on behalf of Jane West, S151 Officer & Corporate Director of Resources

6 LEGAL CONSIDERATIONS

- 6.1 The information contained within this report in relation to contracts is being reported to Cabinet in accordance with the Council's Tenders Contracts Regulations and, in relation to the acquisition or disposal of assets, Regulation 9.3 of the Council's Financial Regulations, which states 'Recommendations on acquisitions or disposals valued between £500k and up to £5m must also be approved by the Cabinet Member for Resources and Financial Governance in consultation with the Leader of the Council, subject to the intention to do so having been reported to a previous meeting of Cabinet and in accordance with the Leader's Scheme of Delegation. Recommendations on acquisitions or disposals valued over £5m will be reported for approval to Cabinet.

Approved by: Kiri Bailey, Interim Head of Commercial & Property Law, on behalf of the Interim Director of Legal Services

7 HUMAN RESOURCES IMPACT

- 7.1 There are no immediate HR issues that arise from the strategic recommendations in this report for LBC employees and staff. If any HR matters should arise as a result of any specific contracts these will be managed under the Council's policies and procedures.

Approved by: Gillian Bevan, Head of Human Resources – Resources and Assistant Chief Executives

8 EQUALITY IMPACT

- 8.1 An Equality Analysis process has been used to assess the actual or likely impact of the decisions related to contracts mentioned in this report and mitigating actions have been defined where appropriate.
- 8.2 The equality analysis for the contracts mentioned in this report will enable the Council to ensure that it meets the statutory obligation in the exercise of its functions to address the Public Sector Equality Duty (PSED). This requires public bodies to ensure due regard to the need to advance equality of opportunity; foster good relations between people who share a "protected characteristic" and those who do not and take action to eliminate the potential of discrimination in the provision of services.
- 8.3 Any issues identified through the equality analysis will be given full consideration and agreed mitigating actions will be delivered through the standard contract delivery and reporting mechanisms.

9 ENVIRONMENTAL IMPACT

- 9.1 Any issues emerging in reports to the relevant Cabinet Member will require these considerations to be included as part of the standard reporting requirements, and will not proceed without full consideration of any issues identified.

10 CRIME AND DISORDER REDUCTION IMPACT

- 10.1 Any issues emerging in reports to the relevant Cabinet Member will require these considerations to be included as part of the standard reporting requirements, and will not proceed without full consideration of any issues identified.

11 DATA PROTECTION IMPLICATIONS

- 11.1 Will the subject of the report involve the processing of 'personal data'?

NO

Has a Data Protection Impact Assessment (DPIA) been completed?

NO

Data Protection Impact Assessments have been used to assess the actual or likely impact of the decisions related to contracts mentioned in this report and mitigating actions have been defined where appropriate.

Approved by: Peter Mitchell, Director of Commercial Investment and Scott Funnell, Head of Strategic Procurement and Governance

CONTACT OFFICER:

Name:	Scott Funnell
Post title:	Head of Strategic Procurement and Governance
Telephone no:	07510 585090

BACKGROUND DOCUMENTS:

- Capita One, Education Management System, Support & Maintenance Contract Extension
- Property Disposals as part of the Interim Asset Disposal Strategy

Date of meeting	17 February 2022
By	Jon Martin Interim Head of Specialist Systems CDS
Title	Capita ONE, Education Management System, Support & Maintenance Contract Extension
Project Sponsor	Paul Golland, Interim Chief Digital Officer & Director of Resident Access
Corporate Director	Elaine Jackson, Assistant Chief Executive
Lead Member	Cabinet Member for Resources and Financial Governance, Cllr Young
Key Decision	1022RFG

1. Recommendations

The Contracts and Commissioning Board is asked to

1. Recommend to the Cabinet Member for Resources and Financial Governance, in consultation with the Leader to approve a contract variation as set out in the detail below:

The Leader of the Council has delegated to the Cabinet Member for Resources and Financial Governance the power to make the decisions set out in the recommendations below:

DRAFT RECOMMENDATIONS

1. The Cabinet Member for Resources and Financial Governance, in consultation with the Leader, is recommended by the Contracts and Commissioning Board to approve the contract variation with Capita One for 1 year from 1/4/22 to 31/3/23 at an extension value of £140,271 for the support of the Capita One Education Management System.
2. Note that the contract value of this extension will be £140,271 bringing the overall aggregate spend with the supplier to £1,088,120.

2. Background & strategic context

- 1 A new education management system, Synergy, was procured from Serverlec (KEY DECISION REFERENCE NO.:1018FT) and the implementation work started in 2019.
- 2 The Children Centres and Admissions modules have been successfully implemented and are live. However, the implementation of the SEN module was stopped as the new system was not able to manage SEN finances in a way that the SEN Case Management & Finance teams required. There are also several additional statutory modules that still need to be implemented:
 - Special Education Needs Service for children with funded Education, Health and Care Plans
 - Early Years Funding
 - Educational Psychology Service
 - Hearing and Visual Impairment Service
 - School Admissions and School Place Planning Service
 - Learning Access Service which covers:
 - Education Welfare and Poor School Attendance Legal Intervention
 - Children in Employment
 - Education Commissioning
 - Fair Access and Inclusion to Alternative Education provision

- 3 The existing Capita One contract will expire on 31 March 2022 -the solution continues to be used to provide the functionality which has not yet been implemented in the Servelec solution as listed above. Payments to Capita are for the functionality required, note however that the Capita solution is more expensive than the Servelec solution. Servelec were paid for the completed implementations and ongoing support charges just for the elements of the system being used. When the Servelec solution is fully implemented the full contract charges will apply but payments to Capita will cease from March 2023.
- 4 CDS are working with the service to review the current systems' functionality, usage and user needs in order to establish a long-term strategy for IT systems to support the needs of the Education service as a whole. This work commenced in January 2022, after delays caused in receiving approval to recruit the necessary resource, resulting from the Council's financial situation, to deliver the project, and the overarching impact of COVID 19. The intention is to complete the implementation of the Servelec solution and terminate the Capita One contract. Notice needs to be served on Capita by September 2022 in order to meet notice periods in the contract.

The following were consulted when identifying the needs and requirements arising from the latest situation

- Education SMT
- Procurement Programme Board
- CDS Governance Board (DAB)

5 **Brief contract history**

Capita's Education Management System (EMS) was implemented in 2004 and was subsequently rebranded as Capita ONE.

We have been unable to confirm the duration or cost of the initial contract and any extensions or variations until the RP3 (**CCB1485/19-20**) approved on 17/5/19 to extend current Capita ONE contract for 2 years from 31st March 2019 until 31st March 2021. The total contract value to March 2022 is £947,849.

This extension was to allow the implementation of the new Education system (see 6 below) and decommissioning of Capita ONE. Approval for further extension to March 2022 was sought however the record of approval has not been located.

6 **Background to the planned decommissioning of Capita ONE**

In 2015, following the formation of the People Department, a review of the key operational systems for Social Care, Education and Housing was commissioned. The scope was to determine whether a single IT solution existed for all services. The conclusion at that time (2016) was that there wasn't, consequently, separate tenders were undertaken for each service area.

The tender for Education was run in accordance with LBC regulations. Capita chose not to submit a response to the tender and the eventual preferred bidder to whom the new contract was awarded was Synergy.

The contract negotiations were protracted, and the contract wasn't signed until 2019.

Implementation scope was to migrate all processes and data from Capita ONE to Synergy so ONE could be fully decommissioned.

Two modules were implemented successfully. Special Educational Needs (SEN) especially the finance process then became problematic where the Synergy system couldn't directly replicate the ONE process – service felt Synergy wasn't fit for purpose and lost some confidence in the solution. Internal discussions were undertaken and the supplier was approached.

Whilst these discussions were ongoing the remaining module implementation was put on hold, some programme resources were released even though based on the requirements defined in the tender, and the Servelec response, the solution (Synergy) was found to be compliant with business requirements. In addition to the SEN modules, six other modules were therefore not progressed and the service continued to use the Capita solution. Development of the SEN finance module is in the Servelec development roadmap.

Due to solution confidence issues, it was agreed to undertake a Strategic Education Systems Review – funding for this was available within the People Systems Programme but securing the resource in the current financial climate has taken much longer than expected. Once that had finally been given the 'green light' the progress to recruit a suitable person to lead the review was also protracted.

The pandemic and then the financial situation in the Council delayed the ability to bring in additional resource to review the solution and progress any further work.

A project board has been set up and the planned review is now being initiated.

The recommendation is to complete the implementation and terminate the Capita One solution by March 2023. If the Servelec solution cannot meet all requirements other solutions will be procured and will be subject to additional reports and governance subject to business case approvals.

7 Service and Commercial Impact should Capita ONE not be extended

It is recognised that extending this contract is beyond what was originally envisaged, however, there would be significant impact if Capita ONE were not renewed.

Special Educational Needs and Disabilities (SEND)

The loss of Capita ONE would put the whole SEND Service data system out of use resulting in no statutory record of our most vulnerable children and young people aged 0-25 with SEND. This is a significant risk in so many ways – including safeguarding – but also failure to meet DfE and government statutory duties which could result in the council being issued with a section notice by DfE. This would evidence incompetence and provide for DfE to take steps and control

Education Services

There is insufficient time to implement the full Servelec Synergy software prior to 31st March 2022. ‘Turning off’ Capita would therefore pose significant risks in relation to statutory, safeguarding and financial functions in relation to:

- School attendance & exclusions
- Children missing in education
- Elective home education
- Child employment and entertainment
- Compliance with GDPR

Additionally, officers could not conduct ‘business as usual’ functions in relation to the above, which would result in an increase in complaints, inability to respond to FOIs, MP/councillor questions etc.

Commercial Risk

The contract required the council to give Capita six-months’ notice of our decision not to renew. The Council is committed to a full 12 month contract cost to March 2023 and needs to serve notice by September 2023 to avoid a further 12 months charges after March 2023. This is a target decision milestone backstop to review progress and ensure the statutory services can be delivered either with Servelec or other solutions.

3. Contract Providing for a Statutory Requirement

All current modules of the Capita One system are used to deliver statutory SEN and general education services

The data used is processed in accordance with the Council’s statutory powers in respect of education and related children’s services.

4. Financial implications

Budget Available	Yes / No	YES	Cost Centre (Internal/External)	C14095 > CFA 227
In-year Pressures on Budget	Yes / No	NO	Future Pressure on Existing MTFS Budget	Yes / No

Details	Internal		Period of funding	External		Period of funding
	Capital	Revenue		Capital	Revenue	
Capita ONE support & maintenance (Apr 22 to Mar 23)		140,270.70	22/23			

The implementation of this strategy will commit the Council to a 1- year contract extension at an estimated cost of £140,271 which will be met from existing CDS budgets. It is initially charged to the CDS revenue code and then transferred to the People Systems Programme capital budget.

Capita ONE runs on multiple servers and some dedicated infrastructure located in BWH. As part of the lifecycle of the platform and work to decommission the application and its servers is planned and linked to the Strategic Education Systems Review work stream within the People Systems Programme.

We are only paying Capita for the software modules we are using.

While implementation was paused implementation charges payable to Servelec were also paused and run charges not incurred for the modules not yet implemented.

Implementation charges to continue migration to Servelec will be incurred from the capital budget when activities resume and as elements of the Servelec solution go live run charges will be incurred.

Essential spend criteria:

This request falls within the ongoing “Provision of mandatory services” essential spend criteria

The statutory nature of the Education Services support processes means LBC qualify for grant funding from the DFE. However, it is not clear where these funds get allocated within LBC to offset the ongoing support costs of Capita ONE.

5. Supporting information

5.1	Procurement Process followed: Incl. details of the competition, advertisement, tenders received and any clarifications or issues.	The variation will be undertaken via the change control provision of the contract.
5.2	Evaluation results: Incl. each providers scores in accordance with the published criteria. Winning providers VFM offer	The contract variation is an extension of the current arrangements with no changes to service scope or terms.
5.3	Any compliance issues with PCR or TCR?	London Living Wage (LLW) This was not part of the original Capita ONE EMS contract we are aiming to extend however Capita are an accredited LLW provider. PCR

		The proposed variation does not fulfil the criteria for permitted modification of contracts under the PCR 2015 regulation 72. However there is minimal risk of challenge to this extension as its purpose is to provide a smooth transition to the new system, a system which was procured via an OJEU compliant Restricted Tender process which allowed all relevant market suppliers to initially tender for, or the council will terminate this contract and procure a solution to meet needs if they cannot be met by the Servelec solution.															
5.4	Contract Management: Please detail how this will be delivered and by who?	Strategic contract management is led by CDS, supported by the Education Senior Management Team with oversight and guidance from Strategic Procurement. Account performance reviews are held with the supplier at least quarterly, and a contract board is already established with membership comprising of service departments, Croydon Digital Services and Strategic Procurement.															
5.5	Risks: Incl. how they will be managed	Key risks are set out below. CDS and the service maintain a risk log. <table border="1"> <thead> <tr> <th>No.</th> <th>Risk</th> <th>Mitigation</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Supplier looks to increase charges for extension or new arrangement.</td> <td>Negotiation with Supplier to minimise impact</td> </tr> <tr> <td>2</td> <td>There is a challenge from another supplier. Challenge from Servelec considered low as we have paid Servelec to date and intend to complete implementation.</td> <td>With a variation to extend there is a risk but this is considered low as the council had tendered for a new solution.</td> </tr> <tr> <td>3</td> <td>Lack of funding to progress activities needed to achieve key dates</td> <td>Budget exists for this contract extension; it is being funded from the capital budget for the People's systems Programme. If capital budget queried by finance, then may put pressure on revenue budget.</td> </tr> <tr> <td>4</td> <td>Approval to extend support not granted impacting delivery of statutory services</td> <td>Escalated to senior service stakeholders to state the case.</td> </tr> </tbody> </table>	No.	Risk	Mitigation	1	Supplier looks to increase charges for extension or new arrangement.	Negotiation with Supplier to minimise impact	2	There is a challenge from another supplier. Challenge from Servelec considered low as we have paid Servelec to date and intend to complete implementation.	With a variation to extend there is a risk but this is considered low as the council had tendered for a new solution.	3	Lack of funding to progress activities needed to achieve key dates	Budget exists for this contract extension; it is being funded from the capital budget for the People's systems Programme. If capital budget queried by finance, then may put pressure on revenue budget.	4	Approval to extend support not granted impacting delivery of statutory services	Escalated to senior service stakeholders to state the case.
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4	Approval to extend support not granted impacting delivery of statutory services	Escalated to senior service stakeholders to state the case.															
5.6	Mobilisation plan How will it be managed?	Retaining the solution will only require a contract change control for an extension. This will be managed by the existing IT project team in CDS with support from Strategic Procurement. There will be no system changes carried out as part of this project															
5.7	Decommissioning plans: How will they be managed between providers?	If the Capita One system is decommissioned exit provisions in the contract will be followed. Data will be migrated and then destroyed securely. Server hardware is already resolved, and equipment disposed of in accordance with WEEE directives as most council solutions have been migrated to cloud hosting. The scope of the education systems strategic review will identify the extent of this work.															
5.8	TUPE: If applicable, how will it be managed?	TUPE is not applicable.															
5.9	Interdependencies – If any: Incl. details of any arrangements i.e.	There are internal interdependencies with the Capita contract and the Servelec contract for the new Education management system. Systems interfaces exist and will need to be maintained and changed. This will be managed by the project team.															

	Landlords, Consortiums, Assets connections and how they will be managed	
5.10	GDPR implications: Has an assessment been completed, do legal know to include in t&cs?	The solution processes personal data and a DPIA (dated September 2019) already exists from when the contract was previously extended. The system holds data relating to education, early years funding, school admissions, learning access, school place/planning, post 16 participation and youth engagement, special educational needs. This has been reviewed and signed off by the CDO.
5.11	Equalities: Please confirm how the proposed contract will support the EQIA?	An Equalities Assessment has been performed for the project. The services will continue to support some of the most vulnerable residents in Croydon and as such will need to be assessed as fully meeting their needs in terms of customer care and quality of delivery. No discernible impacts identified as a result of this strategy as it is a continuation of an existing service.
5.12	Social Value: Please confirm how the provider will deliver the 10%?	This was not part of the original Capita ONE EMS contract we are aiming to extend. Capita were asked whether they wished to offer any social value options but they declined so therefore a waiver will be required.
5.13	London Living Wage (LLW): Please confirm the provider pays LLW?	This was not part of the original Capita ONE EMS contract that we are aiming to extend, however, Capita are an accredited LLW employer
5.14	Premier Supplier Scheme (PSP): Please confirm this is included in the requirements	This was not part of original Capita ONE EMS contract we are aiming to extend. Capita were asked whether they wished to join the scheme, but they declined.

Detailed documents should be included as appendices to the report.

6. Conclusion and reasons for recommendations

A summary of the purpose of the report and reasons for recommendations

NOTE: If the current system is not extended, it would prevent Croydon from providing essential & mandatory services creating a serious business critical risk which would leave the Council open to challenge, if not legal action, both locally and nationally. There would also be a very high risk of the council incurring severe reputational damage

Options Analysis

Option	Pros	Cons	Comments
1 – Do Nothing	No further expenditure incurred	<p>LBC unable to meet statutory education delivery obligations across the borough</p> <p>System remains not fit for purpose</p> <p>Risk of legal challenges, both locally & nationally</p> <p>Reputational damage incurred</p> <p>Contract requires LBC to give 6 months' notice to terminate.</p>	Not an Option due to contract termination period required and current systems supporting statutory services.

2: Extend Current contract for 12 months	<p>Limited expenditure</p> <p>Provides defined time frame for completion of the Service Review</p> <p>Continuation of service with incumbent supplier (short term)</p>	<p>Further expenditure commitment</p> <p>Roll out of new system delayed</p> <p>Continue to pay for two solutions for 12 months</p> <p>Risk of legal challenge, considered low</p>	Recommended Option
3 – Extend contract for up to 24 months (Year 2 for remaining modules only)	<p>Continuation of service with incumbent supplier (medium term)</p> <p>Allows more time to complete implementation and remediation work on new system.</p> <p>Allows more time for the completion of the service review, should it be required</p> <p>Could yield a small discount to the Capita One charges</p>	<p>Further, but reducing expenditure with incumbent provider.</p> <p>Further delays. in commencing new system delivery</p> <p>2 more years of additional expenditure.</p> <p>Could present a higher legal risk of challenge</p>	Not recommended
4 – New Award via Framework for 1 year contract	Service receives a fully functioning, fit for purpose system	<p>Increased expenditure</p> <p>Time required to complete procurement</p> <p>Adding a further system into the LBC IT estate</p> <p>Duplication of systems and effort to manage & support them</p> <p>Pressure on already overstretched resources in CDS and the service.</p>	Capita are not willing to commit to this route

Recommended Option:

Extend current contract for 12 months at a cost of £140,271.

7. Outcome and approvals

Outcome	Date agreed	
Approved CCB1726/21-22	Service Director: Shelley Davies (to confirm Corporate Director has approved the report)	17/2/22
	Service Director: Paul Golland	17/2/22

	<i>(to confirm Corporate Director has approved the report)</i>	
	Cabinet Member for Resources & Financial Governance	<i>Briefing 17/2/22</i>
	Legal Sonia Likhari CCBReportsforlegal@croydon.gov.uk	<i>2/2/2021</i>
	Head of Finance	<i>03.03.2022</i>
	Human Resources (if applicable)	<i>n/a</i>
	C&P Head of Service Scott Funnell	<i>1/2/22</i>
	Lead Member <i>(for contract award over £500k)</i>	<i>Briefing 17/2/22</i>
	Procurement Board	<i>CCB1726/21-22 04.03.2022</i>

8. Comments of the Council Solicitor

Relevant legal considerations are set out in the report

Approved by Sonia Likhari on behalf of the interim Director of Legal Services

9. Chief Finance Officer comments on the financial implications

Approved

Approved by Gerry Glover on behalf of the Chief Finance Officer

For Publication

For General Release

REPORT TO:	CABINET [21st March 2022]
SUBJECT:	Residual Waste Treatment Contract – Variation
LEAD OFFICER:	Sarah Hayward – Acting Corporate Director of Sustainable Communities, Regeneration & Economic Recovery <i>Steve Iles – Director of Sustainable Communities</i>
CABINET MEMBER:	Cllr Mohammad Ali - <i>Cabinet Member for Sustainable Croydon</i>
WARDS:	All

COUNCIL PRIORITIES 2020-2024

The recommendation addresses one or more of the Council’s priorities as follows:

- We will live within our means, balance the books and provide value for money for our residents.
- We will focus on providing the best quality core service we can afford. First and foremost, providing social care services that keep our most vulnerable residents safe and healthy. And to keep our streets clean and safe. To ensure we get full benefit from every pound we spend, other services in these areas will only be provided where they can be shown to have a direct benefit in keeping people safe and reducing demand.

[Council's priorities](#)

FINANCIAL IMPACT

The recommendation provides a financial saving to Croydon as follows:

The variation to the residual waste contract will deliver an annual contract saving of £989,000 for the SLWP partner boroughs combined, and an annual contract saving of £448,000 to Croydon Council.

FORWARD PLAN KEY DECISION REFERENCE NO.: 2322CAB

RECOMMENDATION(S)

For CCB

- 1.1 The Contracts and Commissioning Board is asked to endorse the recommendation below.

For Cabinet

The Leader of the Council has delegated to the *Cabinet* the power to make the decisions set out in the recommendations below:

- 1.2 The *Cabinet* is recommended, in accordance with Regulation 30 of the Council's Contracts and Tenders Regulations, to approve a variation to implement the removal of the Villiers Road waste transfer station operations from the scope of the Residual Waste Treatment Contract with Viridor South London Ltd, resulting in an annual contract reduction of £989,000, and an annual reduction in residual waste treatment cost to Croydon Council of £448,000 per annum.

2. EXECUTIVE SUMMARY

- 2.1 The London Borough of Croydon (Croydon) entered into the Residual Waste Treatment Contract (the Contract) with Viridor South London LIMITED on the 5th November 2012 on behalf of the South London Waste Partnership (SLWP), which incorporates the London boroughs of Croydon, Kingston, Sutton and Merton. The Contract recognises that the SLWP has delegated to Croydon the function to enter into the Contract as the contracting authority.
- 2.2 At the time when the contract was being procured, uncertainty around the Landfill Allowance Trading Scheme led to a prevailing air of caution for local authorities around the availability of waste disposal facilities, which is why it was considered prudent to have this site as a contingency for the Council. The Landfill Allowance Trading Scheme was abolished in 2013.
- 2.3 However, since the disposal contract commenced in 2019, the Council has not had to use the facility and there are other more local facilities which could otherwise accept this waste.
- 2.4 The SLWP has delegated to Croydon the function to agree any variation to the Contract on its behalf, provided that the SLWP unanimously approves such variation.

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- 2.5 As part of the Contract, Viridor South London operate the Kingston owned Villiers Road Waste Transfer station (Villiers Road), that receives all of Kingston's kerbside collected material, and which in turn provides a contingency facility for all four Partner Boroughs in the event that the Key Facility, the Energy Recovery Facility in Beddington (the Beddington ERF) is unavailable.
- 2.6 The SLWP boroughs have now unanimously approved the carve-out of the Villiers Road operations from the Contract.
- 2.7 The purpose of the report is to seek approval to vary the Residual Waste Treatment Contract with Viridor South London Ltd in order to facilitate the carve-out of the Villiers Road operations from the Contract.
- 2.8 The financial implications are an annual contract saving of £989,000 for the SLWP partner boroughs combined, and an annual reduction in Contract costs to Croydon Council of £448,000 per annum.
- 2.9 The SLWP are bringing this proposal forward at the earliest opportunity due to the financial benefits. There was considerable complexity and negotiation to reach this position due to there being three tenants of Villiers Road site.

3 The Residual Waste Treatment Contract

- 3.1 The residual waste treatment contract, also referred to as Phase B, is the contract for the disposal of residual waste. It is a contract entered into between Viridor South London Limited and the London Borough of Croydon (on behalf of the South London Waste Partnership constituent Local Authorities).
- 3.2 The Contract is a residual waste treatment contract, and involves Viridor designing, building and operating an Energy Recovery Facility (ERF), which will remain in Viridor's ownership and through which it will dispose of residual waste suitable for thermal treatment.
- 3.3 The Contract was signed on the 5th November 2012. Full planning consent was granted for the Construction of the ERF in March 2014, at which point a Judicial Review took place, the Judicial Review concluded on the 28th April 2015, following which Viridor confirmed that Satisfactory Planning, free from legal challenge, was achieved on the 1st June 2015. Notice to Proceed (NTP) was issued by Viridor to their engineering, procurement and construction (EPC) contractors on the 1st July 2015. Following a rigorous testing and verification process the ERF facility achieved completion of its Acceptance Tests on the 4th March 2019 which signaled the move to Service Commencement, at which point the 25 year Contract term commences.
- 3.4 Extensions - the Authority at its sole discretion may extend the contract until no later than the 35th anniversary of the Commencement Date – that being Nov 2047.

4 THE VILLIERS ROAD FACILITY

- 4.1 The Villiers Road facility is a wholly owned Kingston Council waste transfer station facility. The Villiers Road site receives direct delivery of all of the Kerbside collected material in Kingston.
- 4.2 **Contingency Arrangements** - The London Borough of Sutton does not own a transfer station, Croydon does not have an operational transfer station facility, although does own a mothballed facility located along Factory lane. The London Borough of Merton owns a small transfer station that is currently used for the bulking of material from the HRRC operations and bulky waste recycling activities. There are very few commercial waste transfer stations in the partnership area and only one that has sufficient capacity and operating hours to accept the total residual waste produced within the partnership.
- 4.3 For this reason, the security of having Villiers Road as a contingency facility for all four boroughs included within the Contract was considered a valuable asset and so in 2012, the operation of the Villiers Road facility was included in the Residual Waste Treatment Contract.
- 4.4 An assessment of the risk of removing Villiers Road Facility from the Waste Disposal Contract is set out section 10 below.
- 4.5 Kingston will continue to have ownership and full use of the Villiers Road site, indeed for Kingston this will continue to be the main tipping point for their residual waste, but it will be operated under a separate contract.

5 DRIVERS FOR CHANGE

- 5.1 The SLWP are bringing this proposal forward at the earliest opportunity, due to the financial benefits set out in 5.5 below. There was considerable complexity and negotiation to reach this position due to there being three tenants of Villiers Road site. There are three main reasons that it is now possible to carve-out the Villiers Road Operations from the Contract:

One – Operational Challenges at the Villiers Road site

Two – Financial benefit to all four partner boroughs

Three – Change in ownership at Viridor

5.2 **Operational Challenges at the Villiers Road site**

- 5.3 The operational challenge at Villiers Road was the first trigger in the review of the contractual arrangements of the site. SLWP and Kingston commenced a review of the operations at the Villiers Road facility in 2018. This review considered the issues relating to the operational, contractual and property related arrangements at the Villiers Road site.

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5.4 Although most of these issues have been ongoing for some time, numerous negotiations with the incumbent contractors did not resolve the issues and a need for a longer term solution was further brought to a head in 2018 by the following:

- Increasing concern from operators over the potential safety risks of the current operation
- Further delays/dead ends on discussions around the leases, site plans, requirements to meet compliance with existing and new permit conditions and associated requests from Viridor for contractual variations to encompass changes on site
- Requirement for Waste Transfer Station works under SLWP Phase B contract still outstanding (following unsuccessful compensation event claim from Viridor)
- Capital funding provided for the site under scrutiny due to lack of progress
- Political desire to provide wider pedestrian and bike access to the HRRC.

5.5 Financial benefit to all four partner boroughs

5.6 Once the review of the site was triggered, further analysis of the financial base case model that underpins the pricing for the Contract, demonstrated that a cost saving could be made.

5.7 Analysis has demonstrated that the impact on the partner boroughs Merton Sutton and Croydon from losing the contingency facility is low, given the distance collection vehicles would need to travel, and the cost of operating this service within a shorter more local context is far less.

5.8 The financial savings are summarised in section 8 below.

5.9 Change in ownership at Viridor

5.10 The wider SLWP negotiations around the Villiers Road Site have been complex due to Kingston having three tenants in place at Villiers Road. The SLWP has been negotiating with Viridor south London as well the other operators at the site in order to agree an exit that is acceptable. Negotiations with Viridor around the site have therefore been on-going for a number of years, however, since the completion of the acquisition of Viridor by KKR on 8th July 2020, Viridor has signalled its focus will move to recycling and energy recovery and will move away from waste transfer station management activities, like Villiers, making the exit from the services at Villiers Road an opportunity for both Croydon and Viridor.

6 CONSULTATION

6.1 The South London Waste Partnership boroughs have been consulted on the variation and are unanimously agreed on the carve-out of the Villiers Road operations and the resultant cost saving. Subject to internal governance and formal completion of the variation.

7 PRE-DECISION SCRUTINY

7.1 This report has not been to a pre-decision Scrutiny meeting.

8 FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

- 8.1 The proposed variation will provide a significant annual saving for all of the boroughs.
- 8.2 The Contract payment mechanism means that each borough only pays for the waste that they produce. The saving made from the carve-out of the Villiers Road Operations is £989,000, and this saving reduces the band 1 gatefee by £7 per tonne. Therefore each borough will spend £7 less for each tonne that they dispose of up to the band 1 cap.
- 8.3 Whilst it is not in the direct control of the boroughs how much waste their residents produce, and so it is therefore only an estimated figure, based on the current waste arisings in each of the boroughs, the financial saving from the variation of the contract will be apportioned as follows:

Share of Saving Based on the 2020/21 Apportionment*		
SLWP	100%	
Kingston	15%	£147,032
Merton	21%	£206,642
Sutton	19%	£186,731
Croydon	45%	£448,598
		£989,002

(To note, the estimated apportionment of the saving is based on 2020/21 figures when Croydon delivered 45% of the total SLWP waste treated through the ERF contract. The actual annual saving will be based on actual tonnes delivered so this is just indicative.).

8.4 Croydon Finance Table:

8.5 Revenue and Capital consequences of report recommendations

	Current year	Medium Term Financial Strategy – 3 year forecast		
	2021/22	2022/23	2023/24	2024/25
	£'000	£'000	£'000	£'000
Revenue Budget available	11,307	11,802	11,514	11,221
Expenditure	11,355	11,850	11,562	11,270
Income	(48)	(48)	(48)	(48)

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Effect of decision from report	(0)	(448)	(448)	(448)
Expenditure	11,355	11,402	11,114	10,822
Income	(48)	(48)	(48)	(48)
Remaining budget	<u>11,307</u>	<u>11,354</u>	<u>11,066</u>	<u>10,774</u>
Capital Budget available				
Expenditure				
Effect of decision from report				
Expenditure				
Remaining budget	<u> </u>	<u> </u>	<u> </u>	<u> </u>

9 The effect of the decision

- 9.1 The decision results in an annual cost saving of £448,000 for Croydon based on an assumed tonnage of waste being produced by the residents. The savings identified are to be used to offset cost pressures within the service, as opposed to providing cashable savings. These pressures include additional costs arising from the pandemic, including an unplanned increase in residual waste production as a result of the rise in home working; leading to increased waste disposal costs.

10 Risks

- 10.1 **Reduction in Contingency Sites** - As detailed above at point 4, the Contractor has the obligation to supply contingency facilities in the event that the facility is not available, the variation does not impact this obligation. However, if access to the site is impeded by a factor outside of the contractor's control, for example, a road closure, without the option to use the Villiers Road site the risk around diversion and contingency sites will rest with the boroughs the boroughs Merton Croydon and Sutton. Therefore, in terms of operational risks to Croydon, the variation will result in a reduction in the number of available contingency facilities if in the event the ERF and all other contingency facilities are unavailable.

10.2

Event	Risk	Outcome
Site Closure at the ERF	Contractor Responsibility	Service disruption, but contractor's obligation to find contingency and financial risk
Road closure preventing access to the ERF	Authority risk	Service disruption, and Authority's risk

- 10.3 **Likelihood of Risk Very Low** - The likelihood of disruption to the service from this change in risk profile is considered very low, especially given that the service has been operational since March 2019 and the Villiers Road site has not been used as or needed as a contingency facility for Merton

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Croydon or Sutton during that period. In the event of an emergency or planned road closure access to properties adjoining the highway is maintained as a principle wherever possible and so this reduces the likelihood of the ERF being inaccessible yet further.

- 10.4 **Impact of Risk Very Low** - In addition, the likelihood of a prolonged road closure or similar access issue outside of the contractor's control, which would in turn be beyond the capability of the collection service to 'catch-up' without the need for the use of a contingency facility is extremely low. In the first instance, the collection crews would delay tipping and continue to collect until the loads are full. At the next stage, if the road blockage wasn't cleared, then the boroughs would use their relationship with SUEZ, another local transfer station provider, in order to provide a local contingency tipping point. As above, the likelihood that any emergency or planned road closure would make the ERF completely inaccessible for prolonged periods of time without access being facilitated either through temporary traffic management or similar is again very low.
- 10.5 **Risk Mitigation Measures** - Whilst there are no new mitigation facilities to replace this carve-out, there are existing commercial facilities in closer proximity to Croydon Merton and Sutton than the Villiers Road site which would be preferable for use before Villiers. Viridor have arrangements in place with commercial operators in the event of site failure as stated within their method statements.
- 10.6 The variation is permissible under Public Contract Regulations Regulation 72(1)(e) – where modifications are not substantial. This is because the Villiers Road Transfer Station removal is not material in both value and importance compared to the main waste disposal contract of the ERF at Beddington Lane. In addition this is a reduction rather than an increase in contract value. Therefore, any risk of procurement challenge in relation to this variation is considered very low.

11 Options

- 11.1 The alternative option 'Do Nothing' does not offer a cost saving.

12 Future savings/efficiencies

- 12.1 No further savings will be made from this particular variation than those annual savings detailed above.

13 Approved by: Gerry Glover -Interim Head of Finance – Sustainable Communities.

- 13.1 Report author must seek approval from the appropriate officer as provided on this guide:

[http://im.croydon.net/collaboration/id/dem/Documents/committee%20report%20officer%20sign-offs%20and%20guide%20070316\(1\).docx](http://im.croydon.net/collaboration/id/dem/Documents/committee%20report%20officer%20sign-offs%20and%20guide%20070316(1).docx)

14 COMMENTS OF THE COUNCIL SOLICITOR AND MONITORING OFFICER

- 14.1 The Council is under a general Duty of Best Value 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 (Section 3 of the Local Government Act 1999 (as amended by s137 of the Local Government & Public Involvement in Health Act 2007))
- 14.2 The Cabinet Member is empowered to make the decision in accordance with the recommendations pursuant to the Tenders and Contracts Regulations, which form part of the Council's Constitution
- 14.3 Approved by Kiri Bailey, Interim Head of Commercial and Property Law on behalf of the Interim Head of Legal Services

15 HUMAN RESOURCES IMPACT

- 15.1 A number of operational staff working at the Kingston Villiers Road site will be impacted by the variation and will move to the new site operator as appointed by Kingston. These staff are not employed by the Council directly, however TUPE will apply for these staff and the Council must ensure that they fore fill their obligations as a tendering body under where TUPE applies.
- 15.2 If any other HR issues arise they can be managed under the Council's policies and procedures.
- 15.3 Approved by Jennifer Sankar, Head of HR Sustainable Communities, Regeneration, and Economic Recovery Directorate & Housing Directorate; for and on behalf of Dean Shoesmith, Chief People Officer

16 EQUALITIES IMPACT

- 16.1 It is noted that staff will move to a new site and there will be no changes to staffing levels or roles during this change. Any existing reasonable adjustments for staff with regard to disabilities will be transferred to the new location. Staff will be offered risk assessments to identify any new reasonable adjustments required. Staff will also be offered a Disability Passport where required to ensure that reasonable adjustments are transferred from one location to another.
- 16.2 Suppliers will be encouraged to commit to the George Floyd Race Matters Pledge and the Equalities Pledge. The Council's standard for equalities in the Borough.

Approved by: Denise McCausland (Equalities Manager)

17 ENVIRONMENTAL IMPACT

- 17.1 The physical operation of the services will remain unchanged and so there is no foreseeable environmental impact.

18 CRIME AND DISORDER REDUCTION IMPACT

- 18.1 There are no implications of the proposal for the reduction/prevention of crime and disorder.

19 REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

This report will result in the removal of the Villiers Road Site from the current Waste disposal contract. The benefit of this removal is an annual cost saving of £448,000 for Croydon and £989,000 for the South London Waste Partnership.

20 OPTIONS CONSIDERED AND REJECTED

- 20.1 A number of options were considered by Kingston in terms of the operation of the site, these are Kingston specific around the future delivery of these essential front line services. In terms of the options available to Croydon, there are two:
- 20.2 'Do Nothing' – continue to pay for the Villiers Road Site in exchange for a contractually binding contingency facility in the unlikely event that the ERF facility was not accessible, or
- 20.3 'Vary the Contract' – understanding the increased risk from the Authority not having its own contingency facility in the unlikely event that the ERF facility was not accessible, and taking the savings offered.

21 DATA PROTECTION IMPLICATIONS

14.1 WILL THE SUBJECT OF THE REPORT INVOLVE THE PROCESSING OF 'PERSONAL DATA'?

NO

There is no personal or public data held as part of this service.

HAS A DATA PROTECTION IMPACT ASSESSMENT (DPIA) BEEN COMPLETED?

NO

The Director of Sustainable Communities comments that the council's information management team have advised that a DPIA would not be required in this instance and that the subject of the report does not involve the

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processing of personal data.

(Approved by: Steve Iles the Director of Sustainable Communities)

CONTACT OFFICER: Tom Lawrence Head of Environmental Services and Sustainable Neighbourhoods 0208 7266000 Ext. 52520

APPENDICES TO THIS REPORT

There are no appendices to this report

BACKGROUND PAPERS

There are no background papers or exempt items.

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REPORT TO:	CABINET 21st March 2022
SUBJECT:	Children with Disabilities – Care Provider Register
LEAD OFFICER:	Debbie Jones, Corporate Director, Children, Young People & Education <i>and</i> Roisin Madden, Director of Children’s Social Care
CABINET MEMBER:	Councillor Alisa Fleming - Cabinet Member for Children, Young People and Learning <i>and</i> Councillor Callton Young - Cabinet Member for Resources and Financial Governance
WARDS:	ALL

COUNCIL PRIORITIES 2020-2024

The implementation of the Care Provider Register (CPR) will achieve the following in line with the Council priorities:

- ***We will live within our means, balance the books and provide value for money for our residents;*** The CPR provides an opportunity to move away from spot purchasing (off contract spend) to contract spend. The implementation of the CPR will achieve savings and efficiencies compared to the current model as outlined within this report.
- ***We will focus on providing the best quality core service we can afford. First and foremost, providing social care services that keep our most vulnerable residents safe and healthy. And to keep our streets clean and safe. To ensure we get full benefit from every pound we spend, other services in these areas will only be provided where they can be shown to have a direct benefit in keeping people safe and reducing demand;***
 Implementation of the CPR will enable a key statutory service (Children with Disabilities Service) to commission providers from a quality assured register in order to support the needs of some of the most vulnerable residents within Croydon.

FINANCIAL IMPACT

The recommendation is to award a contract to the successful providers for a period of up to 4 years.

There is no guarantee of volume or spend during this period.

The anticipated annual spend during this period is:

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- Anticipated commissioned hours per year: 70362 (based on current annual volume)
- Of which the anticipated hours per year for standard care (Lot 1) is: 49253
- Of which the anticipated hours per year for complex care (Lot 2) is: 21109

- Average hourly cost of a Lot 1 provider from this tender is: £18.62
- Average hourly cost of a Lot 2 provider from this tender is: £25.80

- Anticipated annual spend for Lot 1 is: £917,090.86 (*average cost multiplied by anticipated hours*)
- Anticipated annual spend for Lot 2 is: £544,612.20 (*average cost multiplied by anticipated hours*)

- Anticipated annual spend: **£1,461.703.06** (*anticipated spend of Lot 1 & Lot 2*)

The total anticipated aggregated contract value is expected to be: **£5,846,812.24** (*annual spend multiplied by 4 years*)

FORWARD PLAN KEY DECISION REFERENCE NO.: 2222CAB

1. DRAFT RECOMMENDATIONS

For CCB

The Contracts and Commissioning Board is asked to approve the recommendations below.

- 1.1** To recommend to Cabinet to approve, in accordance with Regulation 28c of the Council's Tenders and Contracts Regulations, the award of *the Care Provider Panel Agreement* to the providers listed in Part B of this report for a period of up to 4 years from 01/04/2022 to 31/03/2026 for a maximum contract value of **£5,846,813**

For Cabinet

The Leader of the Council has delegated to the Cabinet the power to make the decisions set out in the recommendations below:

- 1.2** The Cabinet is recommended by the Contracts and Commissioning Board to approve, in accordance with Regulation 28c of the Council's Tenders and Contracts Regulations, the award of *the Care Provider Panel Agreement* to the providers listed in Part B of this report for a period of up to 4 years from 01/04/2022 to 31/03/2026 for a maximum contract value of **£5,846,813**

2. EXECUTIVE SUMMARY

- 2.1 The Local Authority is responsible for providing any non-medical care services a child is assessed as needing. This could include equipment for daily living, home care (domiciliary care), and access to play schemes, and shortbreaks/respite care.
- 2.2 Domiciliary care is defined as the range of services put in place to support an individual in their own home.
- 2.3 Services may involve routine household tasks within or outside the home, personal care of the client and other associated domestic services necessary to maintain an individual in an acceptable level of health, hygiene, dignity, safety and ease in their home.
- 2.4 The establishment of the Children with Disabilities Care Provider Register enables the Local Authority to commission quality assured care providers (either on a direct award or mini competition basis) that can provide domiciliary or personal care in order to meet the assessed needs of children with disabilities.
- 2.5 The Care Provider Register is an agreement with successful providers that will enable the Local Authority to place orders for services without running lengthy tendering exercises.
- 2.6 Following CCB approval of the procurement strategy on 23/08/2021 (ref CCB1687/21-23) a procurement exercise in line with the Public Contract Regulations 2015 Light Touch Regime was conducted.
- 2.7 Providers have now been identified that meet the requirements for appointment to the Care Provider Register.
- 2.8 The Care Provider Register will be for a duration of 4 years.
- 2.9 The Local Authority anticipated spend under the Care Provider Register agreement is based on historic annual volume and the annual average price submitted as part of the tender process.
- 2.10 On this basis Croydon's predicted spend over the anticipated 4 year term is expected to be in the region of (and not exceed) **£5,846,813**
- 2.11 This report seeks approval for the award of contracts for admittance to the Care Provider Register for Children with Disabilities care provision for a **4 year term**.
- 2.12 The content of this report has been endorsed by the Contracts and Commissioning Board.

CCB ref. number	CCB Approval Date
CCB1728/21-22	09.03.2022

3. DETAIL

Background

- 3.1 The Local Authority is responsible for providing any non-medical care services a child is assessed as needing. This could include equipment for daily living, home care (domiciliary care), and access to play schemes, and shortbreaks/respite care.
- 3.2 The Council currently spot purchases packages of care from the market as and when required. The implementation of the Care Provider Register will enable the Council to move away from this off contract spend, however, there may still be some exceptions when this is still required such as assessed complex care needs requiring specific specialist intervention from a provider not currently on the register.
- 3.3 The proposed Care Provider Register will provide the Council with a pool of quality assured providers that can be commissioned on contract as and when required.
- 3.4 Packages may be short term, e.g. a couple of weeks 'respite', or longer term dependent on the assessed need of the child. The needs of the child and the requirement for care packages will continue to be assessed in line with the statutory requirements.
- 3.5 Due to the nature of the need there is no guarantee of volume or spend under the new proposed Care Provider Register.
- 3.6 The aim of implementing the Care Provider Register is to:
- Work towards achieving key outcomes for CYP and families who receive the support
 - To have a number of providers who are able to deliver good quality support to CYP and their families from 0-18 years
 - Support agencies that deliver personal care are CQC registered
 - Ensure that all care providers have sound safeguarding procedures in place
 - Consider best value in the provision of care and support
- 3.7 The following outcomes are expected as a result of implementing the CPR:
- Outcome 1.** Improved Quality of Live for CYP and families, which means:

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- The CYP develops and maintains independence
- The CYP develops confidence and ability in using community resources
- The CYP performs useful and meaningful activities with whatever assistance is required
- The CYP develops skills and abilities as agreed in their support plan
- Parents and carers have a short break from caring

Outcome 2. Enable parents and carers to provide care for CYP with disabilities that promotes their personal dignity, which means:

- Parents & carers are supported and feel confident
- Parents & carers, CYP feel confident that the care workers will assist their personal care with discretion and in such a way that dignity is maintained and that wherever possible, the carer takes direction from the child or parent/carer
- Parents & carers are satisfied that the changes they had hoped to achieve have been realised and the balance between support and assistance is appropriate to their circumstances

Outcome 3. Improved Well-being for the CYP and Family, which means:

- The CYP and family will receive services that reflect their changing circumstances and whenever possible will be encouraged to undertake physical activities appropriate to their circumstances and abilities
- The CYP and family will feel the service has assisted in them regaining confidence, developing skills and opportunities to learn.

Procurement process

- 3.8 Service and operational leads from within the Children with Disabilities service provided expertise for the development of the service specification, quality questions, and pricing structure for the Care Provider Register.
- 3.9 The Care Provider Register is being established under Regulations 74 to 77 of the Public Contracts Regulations (PCR) 2015 'Light Touch Regime' (LTR). The tender process was aligned to the standard Open Procedure.
- 3.10 The opportunity was made available on The London Tenders Portal on 27/10/2021. The service made incumbent providers aware via email and they were encouraged to respond accordingly via the portal.

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- 3.11 All tender documents were made electronically available on the London Tenders Portal and accessible to interested parties for 30 days. The tender submission deadline was 28/11/2021.
- 3.12 The tender documents provided clear guidance and instructions to the market setting out how the Care Provider Register and call-offs will work. The tender documentation also included the option for the Local Authority to refresh the Care Provider Register at any time.
- 3.13 88 expressions of interest were registered on the London Tenders Portal from a range of providers and 30 of these providers submitted a completed response document by the tender submission deadline.
- 3.14 Post tender clarifications were issued after the tender submission deadline as a result of a number of providers failing to include all information or answer all method statements across the lots for which they applied. An equal opportunity was given to all providers in order to ensure that they provided the missing information.
- 3.15 The Approved Provider Panel is divided into 2 Lots with as follows;

Lot	Lot Name	Description
Lot 1	Standard Care	Support to children and young people in the service who have severe and profound disabilities. The level of support may require taking children and young people out into the community, assisting with feeding, personal care, moving and handling. Some of the children may present with challenging behaviour.
Lot 2	Complex Care	Support to children and young people in the service who have complex health needs and some children present with severe challenging behaviour. Children with complex health needs will include those who meet the Continuing Health Care (CHC) criteria and also those who have complex health needs but don't meet the criteria for CHC.

- 3.16 There was no deviation from the original RP2 strategy report which was approved on 23/08/2021 (ref CCB1687/21-23).

Evaluation

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- 3.17 The tender response document was sectioned into three distinct areas; Selection Questionnaire (SQ) Compliance, quality and price.
- 3.18 An evaluation panel was established with representation from;
- Team manager; Children's Social Care
 - 2 x Service manager; Children with Disabilities
 - Social worker, Adult Social Care
- 3.19 The standard SQ compliance questions covered the following;
- CQC Registration
 - CQC Rating
 - DBS Checks
 - Grounds for mandatory or discretionary exclusion.
 - Economic and financial standing.
 - Insurance requirements.
 - Relevant experience and contract examples.
 - Requirements under Modern Day Slavery Act 2015.
 - Health and safety requirements.
 - London Living Wage
 - General Data Protection Regulations (GDPR) and Information Management requirements.
- 3.20 Tender compliance requirements have been carried out by procurement and project support officers. Experian financial checks will be completed for all recommended suppliers. Experian checks are in lieu of the standard company health checks and do not disadvantage any supplier. The S151 Officer has been informed of this approach. To ensure continuity and fairness the same Experian checks will be carried out on future suppliers should the Council wish to refresh the CPR in the future.
- 3.21 Providers appointed to the Care Provider Register were required to secure a minimum score of 3 out of 5 for all method statements. Method statements were weighted as follows;
- Experience of delivery (10%)
 - Workforce capability & capacity (5%)
 - Safeguarding & wellbeing (10%)
 - Quality assurance & statutory compliance (8%)
 - Social value (5%) (Note: Waiver agreed as per the RP2 strategy report)
 - Premier Supplier Programme (2%)
- 3.22 Panel members individually assessed each qualitative submission and all scores were moderated by the panel to achieve a consensus score.

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- 3.23 All moderation meetings were chaired by the Category Manager with support from the National Management Trainee to ensure consistency. Support from the Senior Commissioning & Procurement Officer was also available when required.
- 3.24 Due to COVID-19 all moderation meetings were held virtually via MS Teams.
- 3.25 Suppliers submitted prices based on hourly rates for each lot they bid for. The total price weighting of 60% is apportioned and an affordability threshold for each lot was applicable.
- 3.26 Bidders were instructed to submit tender prices fully inclusive of all costs. There was no minimum price requirement and there was a maximum affordability threshold for each of the lots.
- 3.27 The Quality/Price evaluation ratio is 40%/60% to ensure that providers submit competitive prices within the affordability thresholds. The amendments of the thresholds were subject to a waiver which was agreed within the RP2 strategy report.
- 3.28 All providers who met the quality and price criteria as well as the compliance elements of the tender are recommended to be appointed to the Care Provider Register.
- 3.29 All providers who have packages of care agreed with them must be registered with the Care Quality Commission (CQC) and will be subject to regular monitoring as per the terms of their registration.
- 3.30 Successful providers who are not yet registered with the CQC (but were registering at the point of submitting their tender response) will not have any care packages commissioned with them until their registration is confirmed.

Results from the Evaluation Process

- 3.31 The number of suppliers applying to be part of the Care Provider Register were in line with expectations.
- 3.32 A summary of the results of the evaluation process are set out below;

LOT 1 – Standard Care

Total Bids received	Total Failed	Total for Admission to the CPR
22	7	15

LOT 2 – Complex Care

Total Bids received	Total Failed	Total for Admission to the CPR
22	5	17

Awarded providers

3.33 The providers who we recommended being awarded and part of the Care Provider Register are outlined within PART B of this report.

Unsuccessful providers

3.34 Some providers were not successful with their tender. The providers who will not be able to join the Care Provider Register are outlined within PART B of this report.

4. CONSULTATION

4.1 The service met with existing providers in early 2021 where outline proposals were discussed.

4.2 A market engagement event prior to launch was arranged, however, due to technical issues this did not take place. As a result the promotional information was circulated to all providers who were due to attend the event.

4.3 Telephone calls with all existing providers were also arranged to ensure current providers were aware of the proposed changes to current arrangements.

4.4 Once the tender opportunity was made available on The London Tenders Portal all providers currently spot purchased by the service were made aware.

4.5 All communication during the tender process took place on The London Tenders Portal only.

4.6 Families have not been consulted at this stage as there is no impact on service delivery. Following the outcome and standstill period there will be engagement with families who currently access care packages to inform them of the new contractual arrangements with providers. Information will also be made available via Croydon's Local Offer.

4.7 Ongoing communication and engagement will take place with the awarded providers throughout the lifetime of the contract via contract management meetings.

4.8 Consultation with staff has not taken place. There is no impact on staffing as a result of implementing the Care Provider Register, however, staff will be

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engaged with prior to contract commencement to ensure they are aware of the need to commission via the Care Provider Register which will be a change to their current practice.

5 PRE-DECISION SCRUTINY

5.1 This report was not presented to the Council's Scrutiny and Overview Committee prior to being brought to Cabinet but is subject to referral by the requisite number of Councillors.

6 FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

1 Revenue and Capital consequences of report recommendations

	Current year	Medium Term Financial Strategy – 3 year forecast		
	2021/22 £'000	2022/23 £'000	2023/24 £'000	2024/25 £'000
Revenue Budget available				
Expenditure	£2.7m	£2.7m	£2.45m	£2.45m
Income				
Effect of decision from report				
Expenditure	£2.7m	£2.45m	£2.45m	£2.45m
Income				
Remaining budget	£0	£247k*	£0	£0
Capital Budget available				
Expenditure	NA	NA	NA	NA
Effect of decision from report				
Expenditure				
Remaining budget				

** To note that during transition from BAU to the new model legacy arrangements may be in place, which may vary the initial spend/savings under the new arrangements. This will be closely monitored by the CWD service.*

2 The effect of the decision

6.1 The service has budgeted for the future award of the contract to the successful providers in order to fulfil their statutory requirements.

6.2 There will be no impact upon service delivery as a result of awarding the contracts to the successful providers.

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- 6.3 As a result of implementing the CPR, savings will be achieved as a result of this procurement. The level of anticipated savings can be found in section 6.13 of this report.
- 6.4 Anticipated spend is based on the assumption of all new packages commissioned via the CPR. There will be requirements for legacy packages based on assessed need as well as the requirement to transfer packages at the point of statutory reviews. This may vary anticipated spend and will be closely monitored via the CWD service.
- 6.5 The savings are included within the CWD MTFS savings plan (Code: CFE SAV04)

3 Risks

- 6.6 There are no direct financial risks associated with the establishment of the Care Provider Register. There is no guarantee of spend or volume. It is a demand led service.
- 6.7 The implementation of the Care Provider Register acknowledges that there is a need for a period of transition and that legacy arrangements will need to remain. This may impact upon initial savings targets. The service will transition all existing arrangements to the Care Provider Register at the earliest opportunity, in line with statutory guidance for reviewing packages of care.

4 Options

- 6.8 The following options have been considered in relation to the award and implementation of the Care Provider Register (please see section 12 for further detail):
1. Do nothing and continue to spot purchase; **Not recommended**
 2. Implement the Care Provider Register & award to successful providers; **Recommended**

5 Future savings/efficiencies

- 6.9 It should be noted that the key intention for this Care Provider Register is that the LA secures assessed packages of care for children and young people disabilities with a quality provider to ensure that their individual outcomes can be met.
- 6.10 As per current practice (spot purchasing) the CWD services commissions approximately 70,362 hours per year for 152 service users at a total cost of £2,7m.
- 6.11 Approximately 70% of the hours meet standard care needs and 30% meet complex care needs.

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6.12 As per the agreed RP2 strategy report a number of assumptions were made in relation to the current practice (spot purchasing). The following issues have been considered in relation to the savings that can be achieved under proposed CPR:

- Historical discrepancies with the miscoding of provision within the financial system
- Historical discrepancies with the tracking of actual cost for individual CYP
- A proportion of the CYP cohort who are not recorded as receiving packages of care but their needs are such that this will be adhoc within the year
- The average hours per week/child is variable as needs of CYP are complex and not easy to predict
- The balance of standard/complex cases within the model is difficult to predict
- Many parents opt for direct payments to support with their CYP needs, however, in the absence of carers they know the use of contracted carers via domiciliary care is likely , in some cases both options are necessary
- Any increase in demand that the service may experience as a result of greater awareness.
- The need for legacy packages to remain in place (due to an assessed need) which may result in some packages remaining commissioned outside of the CPR and/or slow transition to providers on the CPR at the point of statutory review.

6.13 As a result of completing the tender, implementing the new model, applying agreed rates and awarding to the recommended suppliers, savings of up to £247,960.39 could be achieved following implementation and transition to the CPR.

6.14 Over the 4 year period of the proposed contract this would result in a saving of £991,841.522 compared to the cost of continuing to spot purchase services.

6.15 The savings are included within the CWD MTFs savings plan (Code: CFE SAV 04)

6.16 The opportunity to achieve savings will be further enhanced via the option of block purchasing:

- Block purchasing for standard packages of care may be required for community based activities. If this is required then a mini competition will take place via the CPR. Providers will be able to submit their best hourly rate, however, will not be able to exceed their tendered hourly rate. This may reduce hourly rates for a percentage of service users.

6.17 As a result of implementing the Care Provider Register further efficiencies can be achieved:

- A more streamlined, standardised and efficient sourcing process.

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- A reduction in the number of spot purchases made by the Local Authority.
- Opportunities to address gaps in the market to reduce costs and improve the service offer in the future.

6.18 As part of a child's care plan, packages of support will be reviewed regularly in line with the statutory requirements. A package of support may increase, decrease or cease depending on the individual assessed need. The spend associated with an individual package may therefore vary during any given period.

6 Essential spend criteria

6.19 Awarding to the recommended suppliers and implementing the CPR meets the following permissible criteria:

- Improves the situation, & prevents it from getting worse, therefore;
- Expenditure required to deliver the council's provision of statutory services at a minimum possible level; and
- Expenditure to better the situation

6.20 **Approved by: Phillip Herd, Interim Head of Finance, Children, Young People and Education.**

6.21 Following the Experian checks set out in paragraph 3.20, 7 of the providers who were successful in the price and quality evaluation achieved a financial health score of "Extreme Caution".

6.22 Approval was sought from the Deputy Section 151 Officer to allow these 7 providers to join the care provider register as the risk of provider failure will be managed by:

- Ensuring that the placements are shared between the 21 providers and the majority of placements do not fall to the 7 identified. This will be ensured by robust and continuous contract management.
- Undertake further Experian checks on providers throughout the life of the contract.

6.23 The risk of provider failure to the service user is mitigated by the number of different providers available on the care provider register meaning we would be able to call-off a suitable provider to ensure service continuity.

6.24 It is recognised that these are local providers that employ local people, therefore there are benefits to the local economy in allowing them to join the care provider register.

Approved by Matthew Davies, Interim Director of Finance and Deputy Section 151 Officer.

7. COMMENTS OF THE COUNCIL SOLICITOR AND MONITORING OFFICER

- 7.1 The Interim Head of Legal Services comments that The Council is under a general Duty of Best Value 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 (Section 3 of the Local Government Act 1999 (as amended by s137 of the Local Government & Public Involvement in Health Act 2007))
- 7.2 The Cabinet is empowered to make the decision in accordance with the recommendations pursuant to the Tenders and Contracts Regulations, which form part of the Council's Constitution
- 7.3 **Approved by Kiri Bailey, Interim Head of Commercial and Property Law on behalf of the Director of Legal Services**

8. HUMAN RESOURCES IMPACT

- 8.1 This report concerns the provision of services that will be provided by a third party organisation through a framework. As such, the Council is not the employer of the staff working within the framework and there are no implications for Croydon employees.
- 8.2 This procurement exercise does not propose changes to service delivery beyond what is being undertaken although providers may have to adapt their delivery approach in order to achieve expected service outcomes.
- 8.3 As a London Living Wage borough, all applicable contracts will include the requirement to pay the London Living Wage.
- 8.4 **Approved by: Debbie Calliste, Head of HR for Children, Young People and Education on behalf of the Director of Human Resources.**

9. EQUALITIES IMPACT

- 9.1 An EQA has been completed and approved by the Equalities Manager 07/06/21 and updated on 21/01/22.
- 9.2 The conclusion of the EQA is that our analysis demonstrates that the policy is robust. The evidence shows no potential for discrimination and we have taken all opportunities to advance equality and foster good relations, subject to continuing monitoring and review.
- 9.3 The proposals ensure that disabled children, young people and their families receive a standard of care that meets their needs and ensures that they are not subject to less favourable treatment to their peers.

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- 9.4 The support provided to families ensures that parents of disabled children are supported and not treated less favourably because of their association with their disabled child.
- 9.5 Ensuring that employees are paid the London Living Wage, supports the Council's core priority to tackle ingrained inequality and poverty in the borough.
- 9.6 Suppliers of Council Services should be encouraged to commit to the George Floyd Race Matters and equalities Pledge. The Council's standard for equality.
- 9.7 **Approved by Denise McCausland Equalities Programme Manager.**

10. ENVIRONMENTAL IMPACT

- 10.1 It is considered that there are no increased or decreased environmental sustainability impacts, from the proposed contract award contained in this report.

11. CRIME AND DISORDER REDUCTION IMPACT

- 11.1 It is considered that there are no increased or decreased crime & disorder impacts, from the proposed contract award contained in this report.

12. REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

- 12.1 Admittance to the Care Provider Register is recommended for tenderers which have passed the requirements as set out in the tender documentation.
- 12.2 The establishment of the Care Provider Register will give the Council the opportunity to secure packages of care at a transparent rate in comparison to spot purchasing as well as ensure the Local Authority is purchasing from a quality pool of providers.

13. OPTIONS CONSIDERED AND REJECTED

- 13.1 In relation to the award the following options have been considered:
1. Do nothing; **Not recommended.** The Council has conducted a procurement exercise in line with the regulations and has a pool of providers who are deemed appropriate for admittance to the Care Provider Register. Should we do nothing then the service will be required to continue to spot purchase and not benefit from the efficiencies outlined within this report.
 2. Implement the Care Provider Register & award to successful providers; **Recommended.** Implementing the Care Provider Register and awarding to the preferred suppliers (as outlined within PART B of this report) will

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enable the Council to commission packages of care from quality providers at agreed rates and achieve the efficiencies as outlined within this report.

14. DATA PROTECTION IMPLICATIONS

14.1 WILL THE SUBJECT OF THE REPORT INVOLVE THE PROCESSING OF 'PERSONAL DATA'?

YES

HAS A DATA PROTECTION IMPACT ASSESSMENT (DPIA) BEEN COMPLETED?

YES

14.2 The outcome of the DPIA was reflected within the tender documentation and will be included within the draft contract as required.

CONTACT OFFICER: Matt Weeks, Lead Commissioner (MS Teams) of the contact officer for any enquiries in respect of the report.

For General Release

DELEGATED DECISION REPORT TO :	Cllr Callton Young, Cabinet Member for Resources and Financial Governance
SUBJECT:	Property Disposals as part of the Interim Asset Disposal Strategy
LEAD OFFICER:	Jane West, Corporate Director Resources and S151 Officer
CABINET MEMBER:	Cllr Stuart King Deputy Leader and Cabinet Member for Croydon Renewal Cllr Callton Young Cabinet Member for Resources and Financial Governance
WARDS:	New Addington South
COUNCIL PRIORITIES	
Croydon Renewal Plan – the recommendations in this report are in line with the new corporate priorities and new way for renewing Croydon Medium Term Financial Strategy	
FINANCIAL IMPACT	
This paper is seeking approval for the disposal of two Council assets in line with the Interim Asset Disposal Strategy. The proposal will deliver further capital receipts. The disposals are part of the wider disposal strategy and will significantly contribute towards the assets disposal target in the MTFs. All disposal costs, including a contribution towards officer time will be paid for out of capital receipts in line with the current financial guidelines which allow up to 4% of the capital receipt to be allocated against reasonable revenue costs in achieving the sales.	
FORWARD PLAN KEY DECISION REFERENCE NO.: 1322RFG (Community Centre) and 1522RFG (90 Central Parade)The notice of the decision will specify that the decision may not be implemented until after 13.00 hours on the 6th working day following the day on which the decision was taken unless referred to the Scrutiny and Overview Committee.	
The Leader of the Council has delegated to the Cabinet Member for Resources and Financial Governance the power to make the decisions set out in the recommendations below	
1. RECOMMENDATIONS	
Cabinet Member for Resources and Financial Governance in consultation with the Leader agrees the following:	
1.1 Approve the disposal of the former Addington Community Centre and the former Social Services building, 90 Central Parade, New Addington	

1.2 Approval to a downward price variation of up to a maximum of 10% and minor variation to the terms of the agreement for each disposal without having to refer the matter back to Cabinet to allow for some minor changes during the disposal process as further due diligence is undertaken. Any variation in price would be subject to approval of the Corporate Director Resources and s151 Officer

On the basis of the terms set out in Part A and Part B of this report

2. EXECUTIVE SUMMARY

- 2.1 This Interim Disposal Strategy has been developed to support the requirements of the Croydon Renewal Plan and Medium Term Financial Strategy [MTFS] and sets out the guidance and governance necessary to allow the disposal of surplus Council assets. The strategy was approved and adopted by Cabinet in February 2021.
- 2.2 As part of the recent capitalisation direction, the Improvement Panel and Government Ministers have made it very clear that they expect the Council to dispose of surplus assets where appropriate to help support the current financial position. By generating capital receipts, borrowing to support the capitalisation direction can be reduced and thus prevent pressures on the Council's revenue budgets.
- 2.3 The properties included within this report have been identified as surplus within the context of the disposal strategy and were included in the initial 2021/22 tranche within the Strategy.
- 2.4 The above proposals have followed the governance process as set out within the strategy and has been approved by Sustainable Communities, Regeneration and Economic Recovery DLT and CMT.
- 2.5 The approved business cases are attached as a background paper in the Part B report

3. BACKGROUND

- 3.1 Given the significant financial challenges faced by the Council, it is important to ensure that the best outcome is achieved from any disposal and this includes
- Holding cost of any surplus assets if to be retained for longer term use or sale
 - Running costs for under-utilised assets and how these can be reduced
 - Service requirements across the Council to ensure an asset is not being sold off if it could provide a cost effective solution for another service area
 - Achieving "Best Consideration" – would delaying a disposal be more beneficial

- Loss of revenue from any income producing assets
 - Impact on the local area from holding assets empty for prolonged periods or the additional benefit from regeneration
 - Reputational issues from having vacant assets
- 3.2 The disposals included within this report fall within the following categories :
- Surplus assets released by service area
 - Vacant Properties both General Fund and HRA
- 3.3 It has been recommended that a variance of up to 10% on the initial agreed purchase price or other minor amendments to the contractual terms are permitted before any disposal needs to be referred back to Cabinet. For many of the smaller or conditional disposals, the parties making the offers may not carry out as much due diligence around the legal title or site limitations. It may therefore be the case that matters become apparent during the legal process that could impact on the value or general terms for the site. On the basis that such conditions are likely to impact the general value of the site it is considered realistic to look at the financial impact and agree a lower figure as may be necessary. Such a reduction will only be considered where it impacts the general value of the asset rather than for the specific user unless even with any agreed reduction the preferred bidder still clearly offers the best option in terms of securing best consideration for the asset disposal and would therefore not be in breach of the requirements of s123 of the Local Government Act 1972

4. DETAIL

- 4.1 Both of these sites have been included within a Masterplan that was drawn up to help deliver a more comprehensive regeneration for the Central Parade area. This identified the need for both local amenities such as the new leisure centre (opened in January 2020), a new health hub and additional housing. Whilst the initial proposals suggested that the health hub could be incorporated within a multi-use building, this has proved not to be feasible due to cost and operational reasons. A considerable amount of work has been undertaken in looking at this initial option as the provision of this new hub is a fundamental part of the NHS out of hospital strategy. The Masterplan has not been formally adopted and was commissioned to clarify the nature and scale of development that could take place. Variance from the Plan is not therefore an issue in terms of planning policy.
- 4.2 The site is bordered by the established Town and Village Green which is likely to limit the wider redevelopment of the site. By combining the two sites the developer has been able to put together some outline massing plans that demonstrate that the proposed 2,000m hub building can be provided with around 30 car spaces
- 4.3 Due to the importance of this facility, the NHS have already secured funding for the development and due to the timescales it is now important that matters are progressed swiftly otherwise there is a strong chance that the available funding will be redirected to other projects due to the considerable time delays. Due to

the time pressures and strategic need for this new health hub in New Addington, the two sites have not been subject to formal marketing and a decision has been taken to look to sell the sites to the same developer who has been selected for the Coulsdon Health Hub site. This offers the most time efficient approach to delivering this facility and retaining the available NHS funding.

- 4.4 Formal Red Book valuations have been undertaken for both sites so that the agreed values can be measured against their estimated values so that best consideration can be demonstrated without the need to market. These valuations will reflect the values based on the current uses and alternative uses subject to likely planning constraints/risk. When considering values against the requirements of s123 of the Local Government Act 1972 consideration can be given to social benefits as well as the actual value considerations. In this case there are clear social benefits if the development of a new health hub comes forward and also helps to support a key priority identified by a key partner organisation that will benefit local residents.
- 4.5 The business cases is appended to the Part B report together with the independent valuations. As this property is not being marketed, the process on this occasion has not involved direct mailing of details to the main umbrella VCS groups including the CVA, Asian Women's Group, BME Forum and CNCA.
- 4.6 The timing of this transaction is critical if the existing NHS funding is to be retained. This is not seen to be detrimental as given the use and the way in which rents are assessed through the Valuation Office, these are not as market sensitive as other property transactions. However, the cost of building materials continues to increase and therefore entering into an option to purchase at this stage will not only help secure the NHS funding but is also likely to deliver a better capital receipt as costs will increase faster than the rents.
- 4.7 The proposal to enter into an option agreement conditional on the developer gaining the necessary planning consent and sign off from the CCG for their full business case will include provisions to ensure that, if the transaction proceeds, the developer will only be able to build a health hub and not sell the site on for alternative uses that might attract a higher value.
- 4.8 Based on the above it is considered that a disposal at this time will not unduly undervalue the assets and will have the additional benefit of delivering a much needed facility to help improve and support local communities and deliver savings in the Council's holding costs for the assets.

5. ASSET DISPOSALS

5.1 Addington Community Centre

- 5.1.1 The rear section of Community Centre was demolished to allow the construction of the new leisure centre and the previous tenant vacated in 2016/17. The building was then managed by the Council's FM team to allow

local community uses such as the indoor market but the centre was closed in January 2020 when the new Leisure centre opened and users were encouraged to rent purpose built community space within this new facility. Following the buildings closure it has been used on a temporary basis by the New Addington Boxing Club who currently have a lease until December 2022 but has flexibility for the Council to terminate at any point after June 2022.

- 5.1.2 The asset has not been previously declared surplus as it was a leased property. However, part of the decision to build the new leisure centre in line with the Master Plan was to allow the rationalisation of the existing assets within the area. The sale of the asset was approved as part of the initial Interim Disposal Strategy agreed by Cabinet in February 2021.
- 5.1.3 The existing building has a current community use (F1) and therefore given the current demand for such space it is likely that a community use would be retained for this site. It is possible that through marketing the site could be sold to a community group but that would underutilize the area and not encourage the redevelopment of the area.
- 5.1.4 The proposed sale to developers will lead to the regeneration of this site and the provision of a new 2,000sqm health hub including a new diagnostic centre greatly improving the current GP and minor injuries facility at Parkway and will also allow capacity for future demand and allow the provision of better out of hospital services.
- 5.1.5 The existing Parkway medical centre will be released and discussions with NHS property services have indicated that they will be looking to bring this forward for additional housing provision.

5.2 90 Central Parade

- 5.2.1 This site is situated adjacent to the community centre and is currently used by the Education Sensory team who visit schools across the Borough and deliver specialist programmes for children. The staff use the building as their central base and storage facility but spend a large part of the day out on site at schools and are therefore not locationally sensitive. The service will be relocated to an alternative site and work is currently underway looking at 4 potential sites so that agreement and any necessary modifications can be carried out in advance of any disposal
- 5.2.2 The property is a 2 storey 1960/70s office building that is currently being used as the base for the Education Sensory support team on the ground floor and there is a licence in place WCS on the first floor. This can be terminated at any time on giving 3 months notice and the occupiers are aware that they are likely to have to relocate. The building is of basic quality and due to its age and construction is likely to need substantial repairs and improvements over the next 5-10 years if it is to be retained
- 5.2.3 The property has not previously been declared surplus as it is still operational but it has been approved for disposal/redevelopment as part of the Interim Disposal Strategy and earlier regeneration project. Once a suitable alternative

location has been agreed with the service the premises will be declared surplus in line with the required governance process.

6. CONSULTATION

- 6.1 Earlier consultation events regarding the Masterplan proposals took place in 2018/19 to discuss the wider redevelopment which did include these two buildings. Consultation with the service area has been undertaken occupiers have been informed of the proposed disposal. Formal consultation with residents will take place as part of the pre-planning process for the proposed health hub.
- 6.2 Ward councilors have been informed of the intention to dispose of these assets. Consultation has taken place with the Council's senior leadership team and Cabinet Members.

7. PRE-DECISION SCRUTINY

- 7.1 The proposed disposals have not been presented to Scrutiny but recommendations made from previous scrutiny reports in respect of disposals have been incorporated where appropriate

8. FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

8.1 Revenue and Capital consequences of report recommendations

Savings and Capital Receipts Included within the MTFS Budgets

Capital receipts generated from asset disposals (£000)

	21/22	22/23	23/24
Capital receipts	£48,183	£30,173	£2,896

Given the significant financial challenges faced by the Council, the disposal of surplus corporate assets is vital to ensure an improvement in its financial position, secure value for money and achieve financial savings by considering the net costs/benefits of holding surplus assets versus sale or letting of the assets.

We are required to pay for the costs of the capitalisation directions out of revenue budgets over a twenty year period, which on a straight line basis would cost 5% per year. In addition interest on those borrowings from the PWLB is at a 1% premium – at current rates this costs this would add 2.9%. Overall this would equate to £790k per £10m borrowed. By generating capital receipts, borrowing to support the capitalisation direction can be avoided and thus prevent pressures on revenue budgets.

There will be some additional capital expenditure involved with these disposals to relocate the service but as this will be re-using existing Council owned

space, the costs are not expected to be significant and in part offset by the lack of agents fees for these transactions. The running costs of these properties i.e. business rates, premises costs (cleaning, security, utilities etc) will further benefit the Council

The decision to dispose of an asset will consider the need to receive the benefits now, against a possible delayed sale when the financial benefit may be greater but less certain as usually this is dependent on obtaining suitable planning consent. This has been considered in respect of these disposals and it is not considered that a disposal of the assets at this time will significantly impact value.

8.2 Risks

Disposal of properties in the corporate portfolio in the current economic climate gives rise to risks and uncertainties around achieving the best possible sale price. The capital receipts in the table above reflects an element of prudence and conservatism in the receipts of disposal and its timing. However, it must be emphasised that these asset values are subject detailed market valuations and market conditions prevailing at the time of sale.

8.3 Future savings/efficiencies

The savings highlighted in the table above reflects an estimate of sales proceeds/capital receipts arising from disposal of corporate properties and savings in borrowing costs i.e. interest and minimum revenue provision on the general fund budgets.

Approved by Matt Davis Interim Deputy s151 Officer

9. LEGAL CONSIDERATIONS

9.1 As set out earlier in this report, when disposing of land the Council has a statutory duty under section 123 of the Local Government Act 1972 (or section 233 of the Town and Country Planning Act 1990 where the land has been appropriated for planning purposes) to ensure that it obtains best consideration for the land and buildings disposed of and provisions of section 87-89 of the Localism Act 2011. In certain exceptional cases a disposal for less than best consideration is permitted where the difference in the value between the proposed disposal and the best consideration that might be obtainable on the market is less than £2M or, in other cases, with a specific consent from the Secretary of State. The processes set out in this report in relation to the Interim Disposal Strategy seek to ensure that best consideration is obtained in relation to proposed disposals. If and where disposals are proposed to proceed for less than best consideration (e.g. to secure wider community benefits) it is recommended that officers seek detailed legal advice in relation to any potential 'Subsidy Control' issues (the Subsidy Control regime replaces the State Aid regulations).

9.2 Land should only be disposed of by a local authority where it is considered to be surplus to the Council's requirements. The process set out in the Interim

Disposal Strategy seeks to ensure that consideration is given as to potential other Council uses of land before it is recommended for disposal.

Kiri Bailey, Interim Head of Commercial and Property Law on behalf of the Interim Director of Legal Services

10. HUMAN RESOURCES IMPACT

- 10.1 The proposed disposal allows for the relocation of staff currently using the property and therefore has no direct impact on staffing levels, restructuring or recruitment.

Approved by: Gillian Bevan Head of HR Resources

11. EQUALITIES IMPACT

- 11.1 Under the Equality Act 2010 the Council has an obligation to protect **people against discrimination, harassment or victimisation in employment**, and as users of private and public services based on nine protected characteristics: The proposed disposal comprises of the former Addington Community Centre (ACC) and an office building at 90 Central Parade which is currently used by the Schools Sensory Impairment team. The ACC was vacated by the former tenants and partially demolished as part of the new leisure centre works. The ACC was initially vacated by the former tenants, the ACA in 2016, and the building was managed by the FM team to facilitate general community use up until its formal closure at the end of 2019. It has since be re-used on a temporary basis for the Boxing Club that required a temporary home following the closure of Timebridge Centre.

The new Leisure Centre which opened in January 2020 provides two halls with a total capacity of 300, ancillary rooms and café facility. This space is available to hire and is now used by many organisations. This, together with the new Fieldway Centre provides good quality and more accessible accommodation for community groups within New Addington.

In respect of 90 Central Parade this is used as offices by the Council's Educational sensory team. This team are not location sensitive and do not run the service to clients from the building but go out to visit schools. Their relocation is therefore unlikely to impact on any protected groups and may well improve accessibility for staff depending on the final location.

The sale of this site is to allow the provision of a new health facility which is likely to include a diagnostic hub and will considerably improve healthcare facilities to local residents.

- 11.2 An equalities impact assessment has been undertaken for these asset disposals collectively, and the action being taken to offset the impact on affected protected groups is noted.

Approved by: Denise McCausland Equality Programme Manager

12. ENVIRONMENTAL IMPACT

- 12.1 The proposed disposals and redevelopment of these two sites is likely to have a beneficial environmental impact. Any new development will utilise modern materials and be required to meet the current environmental standards and will therefore be more efficient in use.

13. CRIME AND DISORDER REDUCTION IMPACT

- 13.1 The disposal of the two buildings is likely to help to improve antisocial behavior and crime due to the better design and layout of the proposed new buildings. The buildings will also be used more widely throughout the day and therefore reduce the opportunity for antisocial activity.

14. REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

- 14.1 The assets are currently being underutilised, are expensive to run and likely to need expensive repair and maintenance in the medium term. Due to the age and nature of the buildings, they will not meet the more challenging Energy Performance requirements without substantial investment and therefore would become unlettable. The disposal will therefore not only produce a capital receipt but offer longer term revenue savings.
- 14.2 In addition to the financial benefits the disposals will help to deliver wider social benefits through potentially delivering essential new facilities and allow the development of new housing within the local areas both within the Council owned and NHS space.
- 14.3 It is essential that the disposal is secured as early as possible to ensure that the current capital grant secured by the CCG can be retained. Without this the scheme is not viable at the current levels and this would significantly impact the capital receipt.

15. OPTIONS CONSIDERED AND REJECTED

- 15.1 The disposal of these assets is in line with the process set out in the Interim Property Strategy and the sites have already been included within the proposed disposal lists for 2021/22. They are either surplus or not being efficiently used and therefore disposal is the best option. Failure to do so would not help the Council to address the immediate financial position and the requirements of the MTFS.
- 15.2 The alternative options are to:
1. Continue to use the properties for their current uses in the short term and look to sell in the future or hold the asset and try and gain planning consent for a more beneficial use. It is not considered that this will maximise their value as the rental income is very limited from the current uses and repairs and

maintenance work would certainly be required to address known issues at the ACC in the short to medium term. The income received from the occupiers is far less than the outgoings and therefore this option would not reduce the Council's revenue liabilities.

2. Try and gain a higher value through obtaining planning consent for an alternative use, given the previous work undertaken by the Regeneration Team it is clear that a mixed housing and health hub development is not financially viable. Given the existing community use for part of the site it is very unlikely that a pure housing development would be granted consent.

3. Sell the existing properties unconditionally. This may deliver a very similar capital receipt but it is likely that the existing community building would be retained and therefore not lead to the regeneration of the area as the current space layout would suit likely purchasers and they would not necessarily have the funds to carry out improvement works. This would also not offer the proposed benefits of having a new medical hub and diagnostic facility within this central location

15.3 The disposal of both sites for the proposed redevelopment is therefore recommended

16. DATA PROTECTION IMPLICATIONS

16.1 WILL THE SUBJECT OF THE REPORT INVOLVE THE PROCESSING OF 'PERSONAL DATA'?

NO

16.2 HAS A DATA PROTECTION IMPACT ASSESSMENT (DPIA) BEEN COMPLETED?

NO

Approved by: Steve Wingrave Head of Asset Management and Estates

CONTACT OFFICER: Steve Wingrave
Head of Asset Management and Estates ext 61512.

APPENDICES TO THIS REPORT: Equalities assessment

BACKGROUND DOCUMENTS: Location Plan for the combined site

1. Introduction

1.1 Purpose of Equality Analysis

The council has an important role in creating a fair society through the services we provide, the people we employ and the money we spend. Equality is integral to everything the council does. We are committed to making Croydon a stronger, fairer borough where no community or individual is held back.

Undertaking an Equality Analysis helps to determine whether a proposed change will have a positive, negative, or no impact on groups that share a protected characteristic. Conclusions drawn from Equality Analyses helps us to better understand the needs of all our communities, enable us to target services and budgets more effectively and also helps us to comply with the Equality Act 2010.

An equality analysis must be completed as early as possible during the planning stages of any proposed change to ensure information gained from the process is incorporated in any decisions made.

In practice, the term '**proposed change**' broadly covers the following:-

- Policies, strategies and plans;
- Projects and programmes;
- Commissioning (including re-commissioning and de-commissioning);
- Service review;
- Budget allocation/analysis;
- Staff restructures (including outsourcing);
- Business transformation programmes;
- Organisational change programmes;
- Processes (for example thresholds, eligibility, entitlements, and access criteria).

2. Proposed change

Directorate	Resources
Title of proposed change	Property Disposals as part of the Interim Asset Disposal Strategy
Name of Officer carrying out Equality Analysis	Steve Wingrave

2.1 Purpose of proposed change (see 1.1 above for examples of proposed changes)

The Council is proposing to dispose of a number of assets as part of the Interim Disposal Strategy to help generate capital receipts in line with the MTFS requirements and enable the Council to continue to deliver its key services.

3. Impact of the proposed change

Important Note: It is necessary to determine how each of the protected groups could be impacted by the proposed change. If there is insufficient information or evidence to reach a decision you will need to gather appropriate quantitative and qualitative information from a range of sources e.g. Croydon Observatory a useful source of information such as Borough Strategies and Plans, Borough and Ward Profiles, Joint Strategic Health Needs Assessments <http://www.croydonobservatory.org/>. Other sources include performance monitoring reports, complaints, survey data, audit reports, inspection reports, national research and feedback gained through engagement with service users, voluntary and community organisations and contractors.

3.1 Additional information needed to determine impact of proposed change

Table 1 – Additional information needed to determine impact of proposed change

If you need to undertake further research and data gathering to help determine the likely impact of the proposed change, outline the information needed in this table.

Additional information needed	Information source	Date for completion
<p>The proposed disposal comprises of the former Addington Community Centre (ACC) and an office building at 90 Central Parade which is currently used by the Schools Sensory Impairment team. The ACC was vacated by the former tenants and partially demolished as part of the new leisure centre works. The ACC was initially vacated by the former tenants, the ACA in 2016, and the building was managed by the FM team to facilitate general community use up until its formal closure at the end of 2019. It has since be re-used on a temporary basis for the Boxing Club that required a temporary home following the closure of Timebridge Centre.</p> <p>The new Leisure Centre which opened in January 2020 provides two halls with a total capacity of 300, ancillary rooms and café facility. This space is available to hire and is now used by many organisations. This, together with the new Fieldway Centre provides good quality and more accessible accommodation for community groups within New Addington.</p>	<p>Asset Management/CMT</p>	<p>December 2022</p>

<p>In respect of 90 Central Parade this is used as offices by the Council's Educational sensory team. This team are not location sensitive and do not run the service to clients from the building but go out to visit schools. Their relocation is therefore unlikely to impact on any protected groups and may well improve accessibility for staff depending on the final location.</p> <p>The sale of this site is to allow the provision of a new health facility which is likely to include a diagnostic hub and will considerably improve healthcare facilities to local residents.</p>		

For guidance and support with consultation and engagement visit <https://intranet.croydon.gov.uk/working-croydon/communications/consultation-and-engagement/starting-engagement-or-consultation>

3.2 Deciding whether the potential impact is positive or negative

Table 2 – Positive/Negative impact

<p>For each protected characteristic group show whether the impact of the proposed change on service users and/or staff is positive or negative by briefly outlining the nature of the impact in the appropriate column. . If it is decided that analysis is not relevant to some groups, this should be recorded and explained. In all circumstances you should list the source of the evidence used to make this judgment where possible.</p>			
Protected characteristic group(s)	Positive impact	Negative impact	Source of evidence
Age	The proposed changes will not impact any protected characteristic group as the main provision for community services out of the ACC had already ceased and can be	None	Use of the two new community facilities at New Addington Leisure Centre and Fieldway Centre has demonstrated

	<p>reprovided from two new facilities within New Addington.</p> <p>The functions run from the office accommodation will be reprovided from an alternative site offering suitable accommodation to allow the service to be delivered. The provision of the new health facility, which is likely to include a diagnostic hub, will considerably improve healthcare facilities to a wide range of local residents including protected characteristic groups</p>		groups are using these alternative sites
Disability	The proposed changes will not impact any protected characteristic group as the services are continuing from alternative premises as detailed above.	None	As above
Gender	The proposed changes will not impact any protected characteristic group as the services are continuing from alternative premises as detailed above.	None	As above.
Gender Reassignment	The proposed changes will not impact any protected characteristic group as the services are continuing from alternative premises as detailed above.	None	As above.
Marriage or Civil Partnership	The proposed changes will not impact any protected characteristic group as the services are continuing from alternative premises as detailed above.	None	As above.
Religion or belief	The proposed changes will not impact any protected characteristic group as the services are continuing from alternative premises as detailed above.	None	As above
Race	The proposed changes will not impact any protected characteristic group as the services are continuing from alternative premises as detailed above.	None	As above.
Sexual Orientation	The proposed changes will not impact any protected characteristic group as the services are continuing from alternative premises as detailed above.	None	As above.

Pregnancy or Maternity	The proposed changes will not impact any protected characteristic group as the services are continuing from alternative premises as detailed above.	None	As above.
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Important note: You must act to eliminate any potential negative impact which, if it occurred would breach the Equality Act 2010. In some situations this could mean abandoning your proposed change as you may not be able to take action to mitigate all negative impacts.

When you act to reduce any negative impact or maximise any positive impact, you must ensure that this does not create a negative impact on service users and/or staff belonging to groups that share protected characteristics.

3.3 Impact scores

Example

If we are going to reduce parking provision in a particular location, officers will need to assess the equality impact as follows;

1. Determine the Likelihood of impact. You can do this by using the key in table 5 as a guide, for the purpose of this example, the likelihood of impact score is 2 (likely to impact)
2. Determine the Severity of impact. You can do this by using the key in table 5 as a guide, for the purpose of this example, the Severity of impact score is also 2 (likely to impact)
3. Calculate the equality impact score using table 4 below and the formula **Likelihood x Severity** and record it in table 5, for the purpose of this example - **Likelihood (2) x Severity (2) = 4**

Table 4 – Equality Impact Score

Severity of Impact	3	3	6	9
	2	2	4	6
	1	1	2	3
		1	2	3
	Likelihood of Impact			

Key

Risk Index	Risk Magnitude
6 – 9	High
3 – 5	Medium
1 – 3	Low

Table 5 – Impact scores

<p>Column 1</p> <p>PROTECTED GROUP</p>	<p>Column 2</p> <p>LIKELIHOOD OF IMPACT SCORE</p> <p>Use the key below to score the likelihood of the proposed change impacting each of the protected groups, by inserting either 1, 2, or 3 against each protected group.</p> <p>1 = Unlikely to impact 2 = Likely to impact 3 = Certain to impact</p>	<p>Column 3</p> <p>SEVERITY OF IMPACT SCORE</p> <p>Use the key below to score the severity of impact of the proposed change on each of the protected groups, by inserting either 1, 2, or 3 against each protected group.</p> <p>1 = Unlikely to impact 2 = Likely to impact 3 = Certain to impact</p>	<p>Column 4</p> <p>EQUALITY IMPACT SCORE</p> <p>Calculate the equality impact score for each protected group by multiplying scores in column 2 by scores in column 3. Enter the results below against each protected group.</p> <p>Equality impact score = likelihood of impact score x severity of impact score.</p>
Age	2	2	4 In a positive way due to improved medical facilities
Disability	2	2	4 In a positive way due to improved medical facilities
Gender	1	1	1
Gender reassignment	1	1	1
Marriage / Civil Partnership	1	1	1
Race	1	1	1
Religion or belief	1	1	1
Sexual Orientation	1	1	1
Pregnancy or Maternity	2	2	4 In a positive way due to improved medical facilities

4. Statutory duties

4.1 Public Sector Duties

Tick the relevant box(es) to indicate whether the proposed change will adversely impact the Council’s ability to meet any of the Public Sector Duties in the Equality Act 2010 set out below.

Advancing equality of opportunity between people who belong to protected groups

Eliminating unlawful discrimination, harassment and victimisation

Fostering good relations between people who belong to protected characteristic groups

Important note: If the proposed change adversely impacts the Council’s ability to meet any of the Public Sector Duties set out above, mitigating actions must be outlined in the Action Plan in section 5 below.

5. Action Plan to mitigate negative impacts of proposed change

Table 5 – Action Plan to mitigate negative impacts

Complete this table to show any negative impacts identified for service users and/or staff from protected groups, and planned actions mitigate them.				
Protected characteristic	Negative impact	Mitigating action(s)	Action owner	Date for completion
Disability	No Negative Impact			
Race	No Negative Impact			
Sex (gender)	No Negative Impact			
Gender reassignment	No Negative Impact			
Sexual orientation	No Negative Impact			

Equality Analysis

Age	No Negative Impact			
Religion or belief	No Negative Impact			
Pregnancy or maternity	No Negative Impact			
Marriage/civil partnership	No Negative Impact			

6. Decision on the proposed change

Based on the information outlined in this Equality Analysis enter **X** in column 3 (**Conclusion**) alongside the relevant statement to show your conclusion.

Decision	Definition	Conclusion - Mark 'X' below
No major change	<p>Our analysis demonstrates that the policy is robust. The evidence shows no potential for discrimination and we have taken all opportunities to advance equality and foster good relations, subject to continuing monitoring and review. If you reach this conclusion, state your reasons and briefly outline the evidence used to support your decision.</p> <p>The proposed disposal will not significantly change the current provision and delivery of services. Although the sale of the ACC will reduce the availability of cheaper space for community groups, the new space at the Leisure Centre and Fieldway Centre provides more modern and better facilities which will help mitigate the impact. The relocation of the office based teams is not considered to impact any groups with protected characteristics. The sale is conditional on the provision of a new health centre and therefore the provision of this new asset is likely to improve facilities for a number of groups with protected characteristics as it will provide new facilities and more accessible accommodation</p>	x
Adjust the proposed change	<p>We will take steps to lessen the impact of the proposed change should it adversely impact the Council's ability to meet any of the Public Sector Duties set out under section 4 above, remove barriers or better promote equality. We are going to take action to ensure these opportunities are realised. If you reach this conclusion, you must outline the actions you will take in Action Plan in section 5 of the Equality Analysis form</p>	
Continue the proposed change	<p>We will adopt or continue with the change, despite potential for adverse impact or opportunities to lessen the impact of discrimination, harassment or victimisation and better advance equality and foster good relations between groups through the change. However, we are not planning to implement them as we are satisfied that our project will not lead to unlawful discrimination and there are justifiable reasons to continue as planned. If you reach this conclusion, you should clearly set out the justifications for doing this and it must be in line with the duty to have due regard and how you reached this decision.</p>	

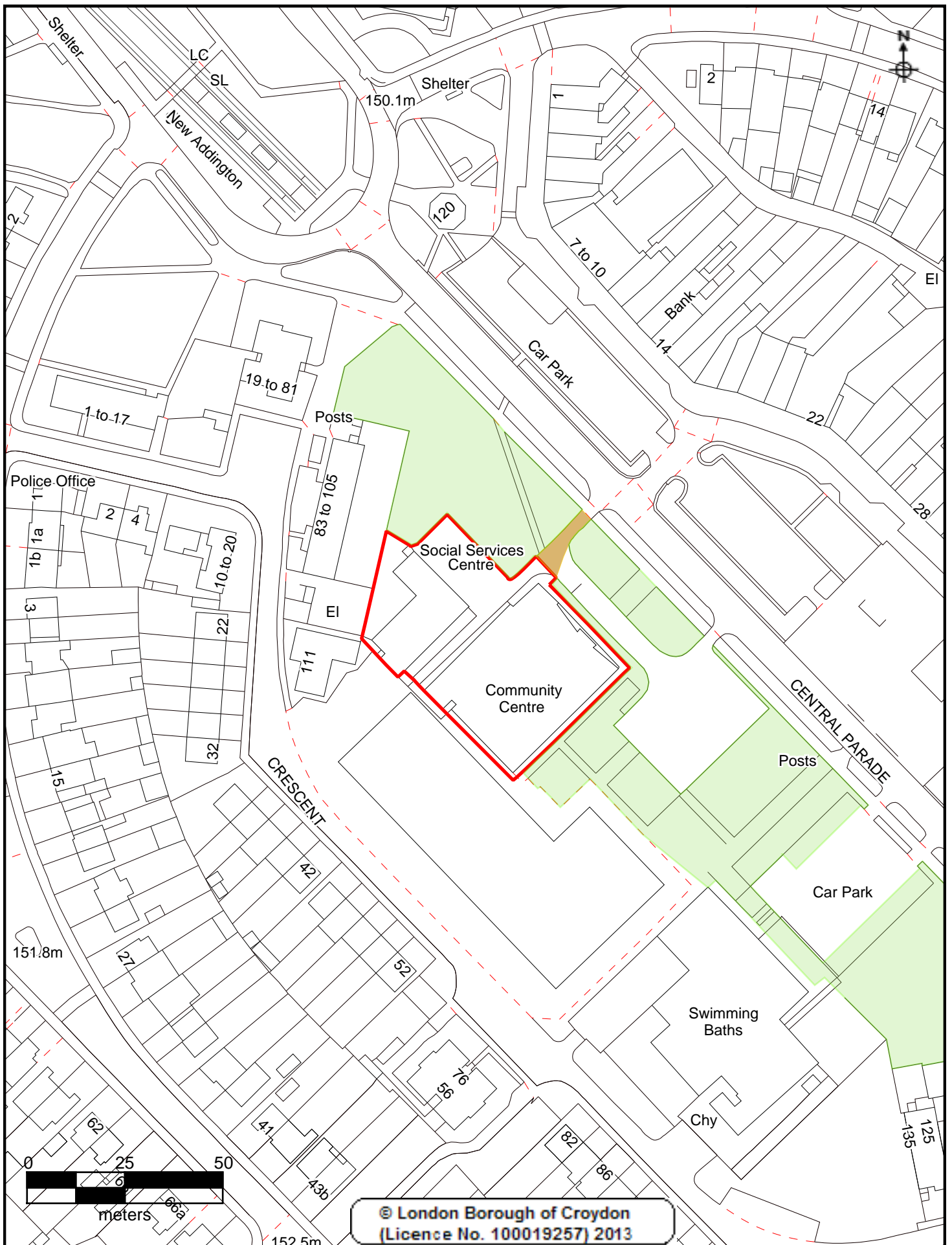
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Equality Analysis

Stop or amend the proposed change	Our change would have adverse effects on one or more protected groups that are not justified and cannot be mitigated. Our proposed change must be stopped or amended.	
Will this decision be considered at a scheduled meeting? eg. Contracts and Commissioning Board (CCB) / Cabinet Yes.	Meeting title: Cabinet Date: 21 March 2022	

7. Sign-Off

Officers that must approve this decision		
Equality lead	Name: Denise McCausland	Date:
	Position: On behalf of Director for Policy & Partnerships	
Director	Name: Peter Mitchell	Date: 9 March 2022
	Position: Director of Commercial Investment and Capital	



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For General Release

DELEGATED DECISION REPORT TO :	Cllr Callton Young, Cabinet Member for Resources and Financial Governance
SUBJECT:	Increasing Housing Supply
LEAD OFFICER:	David Padfield Interim Corporate Director Housing Peter Mitchell Director of Commercial Investment and Capital
CABINET MEMBER:	Councillor Patricia Hay-Justice Cabinet Member for Homes Cllr Callton Young Cabinet Member for Resources and Financial Governance
WARDS:	Coulsdon East
<p>CORPORATE PRIORITY/POLICY CONTEXT/ AMBITIOUS FOR CROYDON</p> <p>This report address further the commitment in the Council’s Corporate Plan (2018) for “good decent homes, affordable for all”</p> <p>Our Community Strategy Policy aims to ensure protection of vulnerable people and a key priority within this is to meet the housing need with good quality accommodation.</p> <p>Corporate Plan - the proposals presented in this report will:</p> <ul style="list-style-type: none"> • Maximise the use of the Council’s assets to deliver new homes, including affordable, private for sale and private rented stock • Bring forward the development of key sites across the borough to address key local, national and regional policies <p>Community Strategy – Development of sites enables the Council to deliver new homes and increase the supply of affordable homes, a key aspiration of the Community Strategy</p> <p>This report builds on the Housing and Homelessness Strategy presented to cabinet in October 2019</p>	

FINANCIAL IMPACT

Investment in the provision of a further 10 homes will help allow the Council to reduce the number of households in emergency accommodation by ensuring that the households can move through the system from temporary accommodation and into longer term tenancy arrangements which will help deliver annual revenue savings.

The purchase of these homes will also allow £1.48m of Right to Buy receipts to be utilised and avoid £364k of interest payments

FORWARD PLAN KEY DECISION REFERENCE NO.: 1622H

The notice of the decision will specify that the decision may not be implemented until after 13.00 hours on the 6th working day following the day on which the decision was taken unless referred to the Scrutiny and Overview Committee.

The Leader of the Council has delegated to the Cabinet Member for Resources and Financial Governance the power to make the decisions set out in the recommendations below

1. RECOMMENDATIONS

The Cabinet Member for Resources and Financial Governance in consultation with the Leader agrees the following:

- 1.1 Approve the borrowing facility of up to £5.1m (£3.6m net of Right to Buy Receipts) to enable the investment in the acquisition of 10 new 3 bed houses from Brick By Brick Croydon Ltd
- 1.2 Approve the use of up to £1.5m Right to Buy Receipts to reduce the level of borrowing required
- 1.3 Agree that the proposed rent levels for the properties to be at London Affordable Rent

2. EXECUTIVE SUMMARY

- 2.1 The Council is looking to purchase a further 10 properties for use as permanent social housing to be held within the Housing Revenue Account (HRA). As with other Council accommodation, they will be managed by the Housing team for allocations and tenancies as well as responsive repairs as necessary.
- 2.3 The Council will fund the purchases through the use Right to Buy (RTB) funds which will fund up to 30% of the purchase price with the remainder being through HRA borrowing.

- 2.4 All tenancies will be let on agreements based on London Affordable Rents.
- 2.5 The ten 3 bed houses are all located on the Tollers Estate and are brand new properties having recently been completed as part of the Brick by Brick (BBB) development. All properties procured are assessed under the Housing Health and Safety Rating System (HHSRS) prior to letting.

3. DETAIL

- 3.1 This report requests agreement to purchase 10 new family homes from BBB to meet one of the areas of highest need. These properties are new build and will therefore meet all current safety requirements as well as being more energy efficient. They will also be subject to a 10 year NHBC warranty and therefore repair costs should be minimal over the first 10 years.
- 3.2 The Council have £1.48m of RTB receipts to commit before the end of March 2022 otherwise it will be required to lose the funds and will be required to pay interest. If these funds are not committed to the purchase of new social housing and interest payment of c£364k will have to be paid
- 3.3 In addition to the purchase price of the homes, the following additional costs will be included within the financial model:
- Operating and managing costs – covering the costs of regular maintenance and repairs, void reinstatement, major works, insurance and scheme management.
 - Debt servicing and repayment costs – covering the costs of the interest cost of borrowing from the Public Works Loan Board over 30 years
 - Rental income – covering the net income resulting from charging the relevant LHA rate, less the assumed void period and a proportion for bad debt.
 - Property insurance costs
- 3.4 The purchase of the BBB properties will allow
- Early acquisition of properties to allow savings to be captured
 - New properties that would offer NHBC certificates to cover any major repairs over the first 10 years and minimising maintenance costs over the medium to long term
 - All statutory certification available on completion – the Council have a detailed list of documents that are required as part of the due diligence process and need to be approved before completion of the purchases
 - SDLT would not be payable saving between £30k per property
 - Further cost saving on survey fees
 - Retain good quality new homes for Croydon residents
 - Homes will be within our existing estates thereby offering economies of scale for housing and caretaking services

- 3.5 Data from supply and demand figures and on future projections clearly indicates that the demand for additional homes still exists and in particular for larger family homes.
- 3.6 The decision to purchase further properties is likely to bring about the following benefits:
- More settled accommodation for families enabling them to plan long term lives and supporting the corporate plan objectives on affordable and increased supply
 - Revenue savings will be made as the purchase of more long term accommodation will ease the demand on emergency accommodation and an overall reduction in temporary accommodation numbers.
 - Increased housing supply at affordable levels for households
- 3.7 The purchases will all be subject to full due dilligence in respect of planning, building control, warranty and other stattory documentation and a pre-occupation inspection will be undertaken by external surveyors to ensure that any defects are identified and remedied and the properties are safe for occupation

4. CONSULTATION

- 4.1 No consultation has been undertaken

5 PRE-DECISION SCRUTINY

- 5.1 The purchase of these units has not been referred to Scrutiny although the Housing Strategy which covers the need and necessity to increase temporary accommodation has.

6 FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

6.1 Use of RTB Receipts

The Council have £1.48m of RTB receipts to commit before the end of March 2022 otherwise it will be required to lose the funds and will be required to pay interest. In addition it has a further £ 3.29m that is available to use for housing purchase that can be used for permanent or affordable housing

This proposed investment would be funded through HRA borrowing (£3.6m) and RTB receipts (£1.5m)

1 Revenue and Capital consequences of report recommendations

The Financial calculations have been undertaken adopting the following

assumptions:

Number of properties	10
Net Purchase costs inclusive of fees	£3.6m
RTB Funding	£1.5m
PWLB Borrowing Rate	2.65%
Management/maintenance per unit	£3,500pa
Insurance per unit	£350pa
Void/Bad Debt Rate	2.5%

10 properties acquisition Annual revenue cost estimation	£'000
Rental income	- 95.4
Voids and bad debt	2 -
Net rent	93.4
Maintenance and Management	35
Insurance	3.5
Interest on borrowing	94.6
Net costs	-37.7
Annual unit cost	3.17
Net annual estimated savings compared to cost of third party emergency accommodation	32.3

2 The effect of the decision

Subsidising the cost of purchasing the properties using right to buy receipts reduces the borrowing costs associated with the scheme. Nevertheless the scheme will still cost the HRA an annual amount of around £37k although this is likely to be offset through the reduced demand for temporary accommodation which could potentially deliver an annual saving in the region of £32k

3 Risks

It is important to acknowledge that the Scheme is not without risk. In line with similar schemes, the properties will require careful and close management. The key risks are:

- Scheme losses (actual and perceived) - rental income alone from the tenants of the properties is insufficient to cover the debt payments and the running costs

(management costs, day-to-day repair costs, void losses, bad debt losses etc). The Scheme's impact on avoiding or reducing the use of emergency nightly charged for accommodation needs to be accounted for if it is to be seen as being self financing.

- Properties being void for periods after being available - properties that stand empty after handover to the Council will result in a loss of available income and a loss of cost avoidance. The model is therefore sensitive to an increase in void periods which will require effective processes and systems to ensure households are placed efficiently.
- The costs assume an interest only payment on the PWLB borrowing
- If the purchases are not made, then £1.48m of the RTB receipts will be retained under the RTB retained receipts pooling system and the Council will be required to pay this back along with over £360k in interest

4 Options

If the Council does not look to purchase more long term accommodation, the demands on temporary accommodation will continue to grow and cost the Council significantly more.

The Council could look to hand the RTB receipts back but there would also be the additional cost of the required interest payment that would have to be paid from the HRA. Based on the estimated interest payments, this is likely to cover in excess of 20 years of the rental shortfall

5 Future savings/efficiencies

The Council will continue to seek ways to reduce the cost of providing accommodation in order to reduce the budgetary pressures. The Council's incoming housing strategy will enable the Council to make longer term decisions linked to supply across various service needs, which should be more cost effective.

To reduce the costs of running these additional properties, they will be maintained as part of the same arrangements as the wider HRA stock.

Approved by Orlagh Guarnovi Interim Head of Finance - Housing

7. LEGAL CONSIDERATIONS

- 7.1 The recommendations set out in this report are within the powers of the Council. The Council is making these acquisitions pursuant to its powers provided by s17 Housing Act 1985. The Council may also rely on its general power of competence under s1 Localism Act 2011. Any transactions, such as land acquisitions, between the Council and Brick by Brick Croydon Limited should be at arms length and on commercial and market terms in order to comply with subsidy control rules and to ensure independent operation from the Council.

Approved by Kiri Bailey , Interim Head of Commercial and Property Law on behalf of the Interim Director of Legal Services

8. HUMAN RESOURCES IMPACT

8.1 There are no Human Resources impacts as a result of this report

8.2 Approved by: Gillian Bevan Head of HR

9. EQUALITIES IMPACT

9.1 Under the Equality Act 2010 the Council has an obligation to protect **people against discrimination, harassment or victimisation in employment**, and as users of private and public services based on nine protected characteristics:

9.2 The range of solutions being developed will impact positively upon families in reducing the amount of time spent in temporary (bed and breakfast) accommodation and move them to more suitable forms of self contained accommodation.

9.3 An Equality Analysis has been undertaken to ascertain if the proposed change will have an impact on groups that share protected characteristics. This found that the changes are more likely to have a positive impact on groups that share protected characteristics as it will provide accommodation for families and offer more secure and better quality homes. This will help the council to meet its equality objective to 'increase the support offered to people who find themselves in a position where they are accepted as homeless especially those from BME backgrounds and women'.

9.4 .
The proposal does not detrimentally affect any households from protected groups or disproportionately affect them compared to other groups. We will continue to monitor outcomes in terms of the make-up of homeless households

Approved by: Denise McCausland Equality Programme Manager

10. ENVIRONMENTAL IMPACT

10.1 No specific adverse environmental effects have been identified as part of this process and the acquisition of new homes will lead to an improvement in energy saving measures.

11. CRIME AND DISORDER REDUCTION IMPACT

11.1 No specific crime and disorder impacts have been identified as a result of this scheme.

12. REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

- 12.1 The purchase of homes will help provide good quality family homes and is likely to reduce the Council's reliance on Bed and Breakfast type accommodation and thereby produce revenue savings. These homes will also help to provide housing solutions for the next step for families and a more settled home environment with the many benefits that has to offer.
- 12.2 By purchasing these 10 new homes the Council will be able to utilise the £1.48m right to buy receipts helping to ensure that the homes can be rented out on an affordable rent basis and reduce the reliance on temporary housing. It will also avoid the need for the payment of over £360k of interest to the GLA which would otherwise have to be funded out of the HRA.

13. OPTIONS CONSIDERED AND REJECTED

- 13.1 The Council has already considered and entered into a number of different housing solutions to address the need for permanent and temporary accommodation and continues to review options.
- 13.2 These have included taking leases, typically for 40-50 years with rents below Local Housing Allowance levels but subject to RPI increases. At the end of the lease the Council can acquire the properties for £1. A number of these schemes are currently being reviewed to assess their cost effectiveness against the model proposed in this report. These schemes may have a future place in proving this type of accommodation but do not offer the overall flexibility that straight purchase of homes has to offer.
- 13.3 An alternative model is to purchase "off plan" from developers but this would not deliver the properties within the timescales required in respect of the RTB funds that need to be committed
- 13.4 The purchase of existing Council owned properties or second hand street properties will also take longer to complete and may require further work to allow decent homes standards to be met and therefore, given the need to commit at an early stage to spend the existing RTB funds, this is not considered to be realistic given the additional time period it is likely to take to survey the properties and undertake the necessary negotiations, due diligence and legal documentation. The BBB option is more straightforward as the Council already have an agreed form of contract and access to the necessary documentation therefore making this the preferred option.

14. DATA PROTECTION IMPLICATIONS

14.1 WILL THE SUBJECT OF THE REPORT INVOLVE THE PROCESSING OF 'PERSONAL DATA'?

No

14.2 **HAS A DATA PROTECTION IMPACT ASSESSMENT (DPIA) BEEN COMPLETED?**

NO

(Approved by: Steve Wingrave Interim Head of Assets, FM and Estate Management)

CONTACT OFFICER: Steve Wingrave, Interim Head of Assets FM and Estate Management ext 61512.

APPENDICES TO THIS REPORT

none

BACKGROUND PAPERS

Equalities Analysis Form

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1. Introduction

1.1 Purpose of Equality Analysis

The council has an important role in creating a fair society through the services we provide, the people we employ and the money we spend. Equality is integral to everything the council does. We are committed to making Croydon a stronger, fairer borough where no community or individual is held back.

Undertaking an Equality Analysis helps to determine whether a proposed change will have a positive, negative, or no impact on groups that share a protected characteristic. Conclusions drawn from Equality Analyses helps us to better understand the needs of all our communities, enable us to target services and budgets more effectively and also helps us to comply with the Equality Act 2010.

An equality analysis must be completed as early as possible during the planning stages of any proposed change to ensure information gained from the process is incorporated in any decisions made.

In practice, the term '**proposed change**' broadly covers the following:-

- Policies, strategies and plans;
- Projects and programmes;
- Commissioning (including re-commissioning and de-commissioning);
- Service review;
- Budget allocation/analysis;
- Staff restructures (including outsourcing);
- Business transformation programmes;
- Organisational change programmes;
- Processes (for example thresholds, eligibility, entitlements, and access criteria).

2. Proposed change

Directorate	Resources
Title of proposed change	Increasing Housing Supply
Name of Officer carrying out Equality Analysis	Steve Wingrave

2.1 Purpose of proposed change (see 1.1 above for examples of proposed changes)

The Council is proposing to purchase 10 new family homes for use as social housing accommodation to be held within the Housing Revenue Account. These properties will provide accommodation for families and offer more secure and better quality homes and help reduce the demand on temporary housing or bed and breakfast accommodation.

3. Impact of the proposed change

Important Note: It is necessary to determine how each of the protected groups could be impacted by the proposed change. If there is insufficient information or evidence to reach a decision you will need to gather appropriate quantitative and qualitative information from a range of sources e.g. Croydon Observatory a useful source of information such as Borough Strategies and Plans, Borough and Ward Profiles, Joint Strategic Health Needs Assessments <http://www.croydonobservatory.org/>. Other sources include performance monitoring reports, complaints, survey data, audit reports, inspection reports, national research and feedback gained through engagement with service users, voluntary and community organisations and contractors.

3.1 Additional information needed to determine impact of proposed change

Table 1 – Additional information needed to determine impact of proposed change

If you need to undertake further research and data gathering to help determine the likely impact of the proposed change, outline the information needed in this table.

Additional information needed	Information source	Date for completion
None		

For guidance and support with consultation and engagement visit <https://intranet.croydon.gov.uk/working-croydon/communications/consultation-and-engagement/starting-engagement-or-consultation>

3.2 Deciding whether the potential impact is positive or negative

Table 2 – Positive/Negative impact

For each protected characteristic group show whether the impact of the proposed change on service users and/or staff is positive or negative by briefly outlining the nature of the impact in the appropriate column. . If it is decided that analysis is not relevant to some groups, this should be recorded and explained. In all circumstances you should list the source of the evidence used to make this judgement where possible.

Protected characteristic group(s)	Positive impact	Negative impact	Source of evidence
Age	These purchases will provide better quality and more secure homes for families. They will help reduce the need for temporary accommodation. All houses offer good quality 3 bed accommodation with gardens within an established housing estate	None	Planning application and Building Control would have taken into account impact on all groups
Disability	None of the homes are specifically adapted for people with disabilities	None	As above.
Gender	These purchases will provide better quality and more secure homes for families. They will help reduce the need for temporary accommodation		As above.
Gender Reassignment	These purchases will provide better quality and more secure homes for families. They will help reduce the need for temporary accommodation		As above.
Marriage or Civil Partnership	These purchases will provide better quality and more secure homes for families. They will help reduce the need for temporary accommodation		As above.
Religion or belief	These purchases will provide better quality and more secure homes for families. They will help reduce the need for temporary accommodation		As above.
Race	These purchases will provide better quality and more secure homes for families. They will help reduce the need for temporary accommodation		As above.
Sexual Orientation	These purchases will provide better quality and more secure homes for families. They		As above.

	will help reduce the need for temporary accommodation		
Pregnancy or Maternity	These purchases will provide better quality and more secure homes for families. They will help reduce the need for temporary accommodation		As above.
<p>Important note: You must act to eliminate any potential negative impact which, if it occurred would breach the Equality Act 2010. In some situations this could mean abandoning your proposed change as you may not be able to take action to mitigate all negative impacts.</p> <p>When you act to reduce any negative impact or maximise any positive impact, you must ensure that this does not create a negative impact on service users and/or staff belonging to groups that share protected characteristics.</p>			

3.3 Impact scores

Example

If we are going to reduce parking provision in a particular location, officers will need to assess the equality impact as follows;

1. Determine the Likelihood of impact. You can do this by using the key in table 5 as a guide, for the purpose of this example, the likelihood of impact score is 2 (likely to impact)
2. Determine the Severity of impact. You can do this by using the key in table 5 as a guide, for the purpose of this example, the Severity of impact score is also 2 (likely to impact)
3. Calculate the equality impact score using table 4 below and the formula **Likelihood x Severity** and record it in table 5, for the purpose of this example - **Likelihood (2) x Severity (2) = 4**

Table 4 – Equality Impact Score

Severity of Impact	3	3	6	9
	2	2	4	6
	1	1	2	3
		1	2	3
	Likelihood of Impact			

Key

Risk Index	Risk Magnitude
6 – 9	High
3 – 5	Medium
1 – 3	Low

Table 5 – Impact scores

<p>Column 1</p> <p>PROTECTED GROUP</p>	<p>Column 2</p> <p>LIKELIHOOD OF IMPACT SCORE</p> <p>Use the key below to score the likelihood of the proposed change impacting each of the protected groups, by inserting either 1, 2, or 3 against each protected group.</p> <p>1 = Unlikely to impact 2 = Likely to impact 3 = Certain to impact</p>	<p>Column 3</p> <p>SEVERITY OF IMPACT SCORE</p> <p>Use the key below to score the severity of impact of the proposed change on each of the protected groups, by inserting either 1, 2, or 3 against each protected group.</p> <p>1 = Unlikely to impact 2 = Likely to impact 3 = Certain to impact</p>	<p>Column 4</p> <p>EQUALITY IMPACT SCORE</p> <p>Calculate the equality impact score for each protected group by multiplying scores in column 2 by scores in column 3. Enter the results below against each protected group.</p> <p>Equality impact score = likelihood of impact score x severity of impact score.</p>
Age	1	1	1
Disability	1	1	1
Gender	1	1	1
Gender reassignment	1	1	1
Marriage / Civil Partnership	1	1	1
Race	1	1	1
Religion or belief	1	1	1
Sexual Orientation	1	1	1
Pregnancy or Maternity	1	1	1

4. Statutory duties

4.1 Public Sector Duties

Tick the relevant box(es) to indicate whether the proposed change will adversely impact the Council's ability to meet any of the Public Sector Duties in the Equality Act 2010 set out below.

Advancing equality of opportunity between people who belong to protected groups

Eliminating unlawful discrimination, harassment and victimisation

Fostering good relations between people who belong to protected characteristic groups

Important note: If the proposed change adversely impacts the Council's ability to meet any of the Public Sector Duties set out above, mitigating actions must be outlined in the Action Plan in section 5 below.

5. Action Plan to mitigate negative impacts of proposed change

Table 5 – Action Plan to mitigate negative impacts

Complete this table to show any negative impacts identified for service users and/or staff from protected groups, and planned actions mitigate them.

Protected characteristic	Negative impact	Mitigating action(s)	Action owner	Date for completion
Disability	No Negative Impact			
Race	No Negative Impact			
Sex (gender)	No Negative Impact			
Gender reassignment	No Negative Impact			
Sexual orientation	No Negative Impact			
Age	No Negative Impact			
Religion or belief	No Negative Impact			
Pregnancy or maternity	No Negative Impact			

Equality Analysis

Marriage/civil partnership	No Negative Impact		
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6. Decision on the proposed change

Based on the information outlined in this Equality Analysis enter **X** in column 3 (**Conclusion**) alongside the relevant statement to show your conclusion.

Decision	Definition	Conclusion - Mark 'X' below
No major change	Our analysis demonstrates that the policy is robust. The evidence shows no potential for discrimination and we have taken all opportunities to advance equality and foster good relations, subject to continuing monitoring and review. If you reach this conclusion, state your reasons and briefly outline the evidence used to support your decision. The purchase of the properties will have no negative impacts on any of the protected groups but will offer better facilities for families and may therefore have indirect positive impacts for one or more of the protected characteristics depending on the personal situation of the families who benefit from the accommodation	x
Adjust the proposed change	We will take steps to lessen the impact of the proposed change should it adversely impact the Council's ability to meet any of the Public Sector Duties set out under section 4 above, remove barriers or better promote equality. We are going to take action to ensure these opportunities are realised. If you reach this conclusion, you must outline the actions you will take in Action Plan in section 5 of the Equality Analysis form	
Continue the proposed change	We will adopt or continue with the change, despite potential for adverse impact or opportunities to lessen the impact of discrimination, harassment or victimisation and better advance equality and foster good relations between groups through the change. However, we are not planning to implement them as we are satisfied that our project will not lead to unlawful discrimination and there are justifiable reasons to continue as planned. If you reach this conclusion, you should clearly set out the justifications for doing this and it must be in line with the duty to have due regard and how you reached this decision.	
Stop or amend the proposed change	Our change would have adverse effects on one or more protected groups that are not justified and cannot be mitigated. Our proposed change must be stopped or amended.	
Will this decision be considered at a scheduled meeting? e.g. Contracts and Commissioning Board (CCB) / Cabinet Yes.		Meeting title: Cabinet Date: 21 March 2022

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