

Scrutiny & Overview Committee

Meeting held remotely on Tuesday, 15 June 2021 at 6.30 pm.

A recording of this meeting is available to view on the Council website.

MINUTES

Present: Councillors Sean Fitzsimons (Chair), Robert Ward (Vice-Chair), Leila Ben-Hassel (Deputy-Chair), Shafi Khan, Oni Oviri and Joy Prince

Also Present: Councillor Hamida Ali and Stuart King

PART A

42/21 **Disclosure of Interests**

There were no disclosures of interest made at the meeting.

43/21 **Urgent Business (if any)**

The Vice-Chair of the Committee highlighted that their continued to be concern about the provision of information to Scrutiny and requested the support of the rest of the Committee in submitting a statutory request for the information requested as part of the call-in considered at the previous meeting of the Committee on 27 May 2021. This request was endorsed by the Committee, with it noted that the deadline for a response to this request was ten clear working days.

Resolved: That a formal request for the information outlined in the call-in considered by the Scrutiny & Overview Committee on 27 May 2021 would be submitted.

The Chair advised the Committee that it had been agreed to include a Cabinet report setting out the proposed performance framework for the Croydon Renewal Plan on the agenda as an urgent item. This report had been considered by the Cabinet on 7 June and had been referred to both the General Purposes and Audit Committee and the Scrutiny and Overview Committee to obtain feedback from the members of these committees and was included as an urgent item to ensure prompt feedback could be given.

It was confirmed that it be considered later in the agenda, after the update from the Leader of the Council.

44/21 **Leader of the Council**

The Committee considered a presentation from the Leader of the Council, Councillor Hamida Ali, which provided an overview of the previous eight months since Councillor Ali was appointed as Leader and looked forward to

the year ahead. A copy of the presentation delivered by the Leader can be found on the following link:-

<https://democracy.croydon.gov.uk/documents/b8909/Item%204%20Leader%20of%20the%20Council%20-%20Presentation%2015th-Jun-2021%2018.30%20Scrutiny%20Overview%20Committee.pdf?T=9>

During the presentation the following information was noted: -

- Credit was given to council staff and Members for the scale of change delivered over the preceding six months, while it was acknowledged that there was still a considerable journey ahead.
- Since Councillor Ali was appointed as Leader, the Council had responded well to its precarious position and with the support of others such as the Local Government Association, had been able to balance its budget through capitalisation.
- There had been a range of work aimed at changing the culture of the organisation including the Leader and the Chief Executive attending frequent staff briefings and Cabinet Members attending staff roadshow events.
- The conditions found in the flats at the council block on Regina Road had resulted from a breakdown in systems designed to support residents. There was now a focus on delivering a quick response to address both the repairs needed on the block and the Council's relationship with the residents.
- The appointment of Katherine Kerswell as the permanent Chief Executive was due to be considered by the Council on the 5 July. Providing this appointment was confirmed, a new structure for the Council could start being implemented.
- The Administration had been revisiting its priorities and had included the following new ones: -
 - Warm, safe and dry homes for everyone
 - Tackling the climate emergency
 - Supporting Croydon's health and economic recovery from Covid-19.
- In order to deliver the priorities there would be a focus on the Council living within its means, having a strong relationship with residents, speaking up for Croydon and the issues that affected local communities, and having an open and transparent council.

Following the presentation, the Committee was given the opportunity to question the Leader on the information provided. The first question noted that

there had been criticism in the Report in the Public Interest (RIPI) of the concentration of power within a small group of Councillors. As the Council had new leadership, it was questioned whether there was now a more collective approach to decision making. It was confirmed that through development work with the local government sector and the Local Government Association (LGA), the Cabinet had been able to develop its team dynamic which had led to a new culture of sharing of information to ensure collection resolutions were found for the more challenging issues.

Although it was acknowledged that the issues leading to poor housing conditions at Regina Road were long standing, it was questioned how going forward the Cabinet would be able to satisfy itself that residents were receiving a good service from the Council. The Leader confirmed that the issue had first been reported four years ago, but as it had not been addressed it had developed into a significant risk for residents. Going forward it was essential that performance reporting identified the correct indicators to spot any potential issues. There was also a need to review how the Council worked with its residents to ensure it was listening and hearing what they were saying. Responses from residents would also need to be triangulated with other sources of information to provide a rounded picture.

In response, it was highlighted that performance reports did not always give a line of sight over service delivery, with it questioned whether other ways of checking performance, such as in-person evidence gathering, had been considered. It was agreed that a mixed approach was required, which the Cabinet had been employing in the response to Regina Road, with visits to residents to help understand their circumstances and the support they required from the Council. Looking forward, the Cabinet was keen to increase its visibility through meeting residents, partners and community groups to get a better understanding of what was happening in the borough.

In response to a question about whether the Council was on the right track to become more evidence and impact led, it was confirmed that this was the direction the Council was moving towards. The Renewal Plan had a three to six year delivery schedule and although there had already been a significant amount of progress in changing the culture of the Council to date, there was still a lot to be delivered.

As it was noted that the Council needed to identify savings of £63m, it was questioned whether this could be achieved while still delivering good outcomes for residents. It was advised that a range of methods would be used, such as looking at other authorities with a record of providing good quality services, to find a balance between achieving the savings and maintaining service quality. There also needed to be a greater level of analysis of what the Council was doing and if workstreams were not achieving the required outcomes, it was important to look for alternative solutions to ensure resources were used to the best effect.

Given the scale of the challenge facing the Council, the Leader was asked whether she felt there was the right political and corporate leadership team in place to deliver. The Leader stated that there was a strong Cabinet team in

place and the progress delivered to date would not have been achieved without them. It would also not have been possible to deliver such a strong application for capitalisation without the commitment of council staff. The lack of permanency within the senior management of the Council was an issue, but a more permanent structure would be brought forward by the Chief Executive in the very near future.

As a follow up it was questioned whether the new officer structure would respond to previous concerns about the structure being too top heavy. It was confirmed that it would to some degree, but at the same time the structure was designed to ensure the Croydon Renewal Plan could be delivered. Many of the prior issues found at the Council were in part caused by the lack of basic monitoring and reporting. As monthly reporting had been introduced, this would start to change the culture of the Council. Cabinet Members had participated in a series of feedback sessions with staff to consider how to ensure there was a collective endeavour to change the culture within the organisation.

Reassurance was sought from the Leader that she would be seeking to address the culture of the organisation toward access to information, as there was significant concern about the current provision of information. It was confirmed that the Cabinet was seeking to make information more publicly available through Cabinet discussions around areas such as finance, performance and risk. Resident contacts and complaints were being proactively reviewed as a means of identifying emerging issues and to improve residents' interactions with the Council. Work was also underway to improve the Council's Forward Plan, which would ensure that agendas were planned much further in advance. It was again highlighted that the Croydon Renewal Plan had a three to five year timeline for delivery and it was important to ensure that what was delivered was both manageable and sustainable, as it was not possible to bring forward every improvement immediately. The Leader gave support to principle of Scrutiny being able to access performance information to satisfy itself that the Council was performing as expected.

There was concern raised that the Government not granting an extension to the Landlord Licensing Scheme, would create a significant shortfall in the Council's budget. As this had not previously been listed on the Council's risk register it was questioned whether there could be other items not identified that may challenge the delivery of the budget. It was advised that allowance had been made in the budget for a potential negative outcome from the Government on the Landlord Licensing Scheme. As the response had now been received, it would be accounted for accordingly. It was important to now focus on what the Council could do as an alternative to the Landlord Licensing Scheme. Reassurance was given that risk was now routinely discussed as part of the financial reporting process particularly high-risk items such as the funding for unaccompanied asylum-seeking children.

As it had previously been stated that the Cabinet was working on a collective basis with shared responsibility for decision making, it was questioned whether this approach could be seen throughout the organisation. It was

acknowledged that the tendency for services to work within silos needed to be challenged and it would take time to deliver a more collaborative approach to working. Every member of staff had been involved in the recent consultation process which would help to ensure they understood the new corporate priorities and ways of working.

Given all the challenges facing the Council, it was questioned whether there was sufficient head space for new opportunities to be identified, with the possible co-location of libraries and children's centres given as an example. It was highlighted that the Council was keen to work with residents to co-produce a plan that would address the issues highlighted within the Housing Services. An e-citizens panel was also being considered as a means to renew the Council's relationship with residents.

In response to concerns raised about the Council's approach to project management, it was highlighted that there was a new approach being used that would allow for increased reporting. However, it was accepted that full reassurance about this could only be provided through the production of regular project monitoring reports.

It was stated that there was a perception of the Council that it was officer led and reassurance was sought that the political and corporate leadership were working together as one team. The Leader assured the Committee that the Cabinet worked very closely with the executive leadership and that the Council was a democratically led organisation. The priorities of the Council were set by the Administration and it was the executive role to lead on delivery.

It was highlighted that there had been reports in the press about Kent County Council taking action against the Government due to concerns about its funding for unaccompanied asylum-seeking children (UASC) and as such it was questioned whether the Council should take a similar approach. It was confirmed that the Cabinet would be having further conversations about how it dealt with the historic underfunding for UASC and at the moment all options were being considered.

At the conclusion of this item the Chair thanked the Leader of the Council for her engagement with the Committee. It was also noted that access to information and the line of sight of the political and corporate leadership over the organisation were likely to be themes for revisiting during the forthcoming year.

45/21 **Report in the Public Interest - Quarter 1 Update**

The Committee considered a report setting out the progress made with delivering the recommendations outlined in the Report in the Public Interest (RIPI), which had previously been considered by the Cabinet on 7 July. It was now being presented to the Committee and also the General Purposes and Audit Committee for further input.

The report was introduced by the Interim Executive Director for Resources, who highlighted 45 of the actions outlined in the action plan had been completed, with 44 still outstanding. There was a recognition that there was a need to maintain momentum with officers working at pace to ensure the delivery of the recommendations. Internal Audit had been tasked with reviewing the actions completed to ensure that they were having the desired impact and were in place. Feedback on this was likely to be provided on the second quarterly update when it was presented to the Committee later in the year.

In response to an open question to both the political and corporate leadership about what actions gave them the most cause for concern, providing support for UASC was highlighted as a significant challenge. Another major concern was meeting all the requirements on the Council within such a constrained budget, while at the same time ensuring the budget was both sustainable and targeted towards where it was most needed. There was also a need to look after staff welfare given the Council had been in crisis mode for fifteen months while responding to the Covid-19 pandemic, in addition to responding to the financial challenges.

As a common theme within the report was the capacity of the organisation to deliver the RIPI recommendations, it was questioned whether there was the ability to monitor delivery and adjust capacity as needed. It was confirmed that work was ongoing to establish what the Council needed to deliver its services within the available financial envelope. This included delivering business as usual, as well as transformation work, which needed to be directed correctly to ensure the maximum benefit was delivered. The new structure for the organisation would be considered by the Cabinet in July, with it accepted that the high number of senior managers employed on an interim basis may be impeding long term delivery.

In response to a question about the strategy for managing demand within Children's Services, it was advised that these actions were set out in the delivery plan which had been presented to a number of committees and were under constant review to ensure the intended outcome was being achieved. A request was made for the Committee to be provided with a copy of the Strategy to provide reassurance that it was in place.

The progress made with reducing the cost within the Children's Service to near the London average was also questioned, with it advised that in some areas the Council was already at or below the average. However, it would be a significant challenge to reduce costs in those areas where families were used to receiving services. The number of looked after children in the system had reduced over the past two years but reducing the costs of placements would make a significant difference. The cost of placements was being monitored to ensure these were reducing and there was work underway with colleagues at other boroughs in South London, but it was important to understand that it would take time to reduce costs in this area.

At the end of the item the Chair thanked both the Cabinet Members and Officer for their attendance at the meeting.

Conclusions

At the end of this item the Scrutiny & Overview Committee reached the following conclusions: -

1. The Committee agreed that the progress made with delivering the RIPI recommendations was commendable.
2. There was a concern about whether there was sufficient capacity within the organisation to continue delivering the recommendations in addition to delivering the other Council priorities and it was agreed that further evidence was needed to provide reassurance that there was a suitable system in place for the senior leadership of the Council to monitor the demand upon capacity. It was agreed that this would continue to be monitored during the year.

46/21 Croydon Renewal and Improvement Plan – Performance Reporting Framework & Measures

The Committee considered a report setting out a framework for monitoring the performance of the Council. The report had previously been considered by the Cabinet on 7 June, who had referred it to the Committee for its input on the content. It was highlighted that the version presented was an early draft and any feedback given would be considered when compiling the final version that would be available in September 2021.

It was noted that the framework presented to the Committee seemed to be a business plan framework, rather than one specifically for the Croydon Renewal Plan, with it questioned whether there was a framework in place to assess the delivery of the renewal plan. It was acknowledged that there were gaps in the framework presented to the Committee, who had been asked to comment on an early version with the intention of using the feedback to address any gaps identified. It was highlighted that the framework was based on the Croydon Renewal Plan which took account of other reviews.

Given the recent issues experienced by residents at Regina Road, it was questioned whether the final document would enable the Council's leadership to identify areas of concern at an early stage, to prevent such issues being repeated in the future. It was confirmed that a section on housing had not been included in the version presented at meeting, as it had been held back to allow for it to be designed with the new Executive Director for the service. It was confirmed that the report would be in two layers, what was reported to the Cabinet and a more detailed operational level version.

It was questioned whether the framework would allow the political and corporate leadership of the Council to maintain line of sight over services. It was confirmed that the framework would need to provide feedback from residents on the quality of services provided and work was underway with the Communications team to establish the best mechanism for this. It was envisioned that the reporting framework would be subject to ongoing refinement as new sources of information became available.

In response to a question about how the Council's financial controls would be monitored, it was confirmed that there would be a separate finance report and the framework would only include those areas of finance linked to the renewal plan. The financial report would also be provided to the members of the Scrutiny & Overview Committee, which given the concerns of the Committee about the financial controls of the Council, would enable the progress made with delivering the budget to be closely monitored.

It was suggested that the framework could look to draw in comparative data from other sources such as LG Inform, although it was acknowledged that some local authorities did not share as much data as others. For the comparative data that was available, there also needed to be certainty that the same measurements were being used to ensure there was a like for like comparison.

Given there was concern that the framework may contain too many indicators to effectively allow Scrutiny to identify where there were areas of concern, it was highlighted that the framework was being built from scratch and would be refined following feedback. It was agreed that there would be further consultation with the Scrutiny Chairs to produce a dashboard for Scrutiny that selected key data from the framework.

At the conclusion of the item the Chair thanked the officers for attending the meeting and providing an update on the development of the framework.

Conclusions

At the end of this item the Scrutiny & Overview Committee reached the following conclusions: -

1. Although it was acknowledged that there seemed to have been considerable progress made with delivering the Croydon Renewal Plan, there was significant concern that performance monitoring framework was still being developed. Without this in place it was difficult to make an informed judgement on the delivery of the Plan.
2. It was agreed that consideration needed to be given to adding further financial performance indicators to the framework.
3. It was concluded that further consideration needed to be given to how the Council's management of its large contracts could be reflected in the framework.
4. It was agreed that framework should be informed by good practice at other local authorities.
5. The suggestion that Scrutiny Chairs would work with officers to design a dashboard that was suitable for scrutiny as supported and as such it was agreed that any final judgement on the framework would be deferred until this work was complete.

47/21 **Scrutiny Annual Report 2020-21**

The Committee considered the Annual Scrutiny Report for 2020-21, which had been presented for its approval before being submitted for inclusion on the next Council meeting agenda. In introducing the report, the Chair highlighted that the past year had been a challenge for scrutiny with an increased workload following the Report in the Public Interest (RIPI). Although received criticism in the RIPI, it also needed to be acknowledged that the Scrutiny & Overview Committee was the only one to challenge the financial judgement of the previous Council leadership.

The Committee agreed its Annual Report for submission to Council and passed thanks on to the scrutiny officers who drafted the report.

Resolved: That the final draft of the Scrutiny Annual Report 2020-21 be agreed.

48/21 **Scrutiny Work Programme 2021-22**

The Committee considered a report setting out a draft work programme for both itself and the three Sub-Committees for the year ahead. In introducing the report, the Chair highlighted that there were gaps in the work programme as there was a need for Scrutiny to be responsive to the priorities of the Council.

It was also highlighted that the recommendations from the Scrutiny Improvement Review, conducted by the Centre for Governance and Scrutiny, would be introduced during the year and this would bring in a new approach for planning. The new approach would be based upon using data to identify those areas where scrutiny was needed, with an underlying principle of support the Council in its financial recovery.

Resolved: That the initial Annual Scrutiny Work Programme is agreed.

49/21 **Exclusion of the Press and Public**

This motion was not required.

The meeting ended at 10.40 pm

Signed:

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Date:

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