

Audit & Governance Committee Agenda



To: Dr Olu Olasode (Independent Chair)
Councillor Matt Griffiths (Vice-Chair)
Councillors Claire Bonham, Simon Brew, Endri Llabuti, Enid Mollyneaux,
Nikhil Sherine Thampi and Sean Fitzsimons

Reserve Members: Kola Agboola, Alisa Flemming, Simon Fox,
Mark Johnson, Stella Nabukeera and Helen Redfern

A meeting of the **Audit & Governance Committee** which you are hereby invited to attend, will be held **Thursday, 14 March 2024 at 6.30 pm. Council Chamber, Town Hall, Katherine Street, Croydon, CR0 1NX.**

Katherine Kerswell
Chief Executive and Head of Paid Service
London Borough of Croydon
Bernard Weatherill House
8 Mint Walk, Croydon CR0 1EA

Hannah Cretney, Democratic Services
hannah.cretney2@croydon.gov.uk
www.croydon.gov.uk/meetings

Members of the public are welcome to attend this meeting.

If you would like to record the meeting, we ask that you read the guidance on the recording of public meetings [here](#) before attending.

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If you require any assistance, please contact Hannah Cretney, Democratic Services as detailed above

AGENDA

1. Apologies for Absence

To receive any apologies for absence from any members of the Committee.

2. Disclosure of Interests

Members are invited to declare any disclosable pecuniary interests (DPIs) they may have in relation to any item(s) of business on today's agenda.

3. Minutes of the Previous Meeting (Pages 7 - 14)

To approve the minutes of the meeting held on 1 February 2024 as an accurate record of the proceedings.

4. 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.

5. Audit & Governance Committee Action Log (Pages 15 - 18)

6. Audit & Governance Committee Work Programme & Assurance Mapping Document (Pages 19 - 30)

To note the Audit & Governance Committee Work Programme for the remainder of the municipal year alongside the Committee Assurance Mapping Document.

7. Financial Statements 2019/20 - External Audit Findings Report (To Follow)

8. Financial Statements 2020/21 - External Audit Plan (To Follow)

9. Auditors Annual Report - 2022/23 (To Follow)

10. Gas Safety Contract Risk Deep Dive Update (Pages 31 - 32)

To receive an update on the Gas Safety Compliance as requested by the Committee.

11. Anti Fraud & Corruption Strategy (Pages 33 - 46)

As part of the Audit & Governance Committee's role of overseeing the anti-fraud and corruption strategy Members are asked to review and approve the contents of Croydon's refreshed Anti-Fraud & Corruption Strategy.

For the reasons set out in the report and its appendices the Audit & Governance Committee are recommended:

To approve Croydon's refreshed Anti-Fraud & Corruption Strategy.

12. Core Business Systems Assurance Review Update (Pages 47 - 60)

This Committee previously requested assurance that the council had measures in place to ensure effective utilisation of its core IT business applications. This report outlines the work undertaken to date and governance in place to monitor progress in this area. It proposes a work plan for 2024/25 for further improvements.

For the reasons set out in the report, Audit and Governance Committee, is recommended to:

1. Note the scope, measurement approach, and work undertaken to date.
2. Consider whether the measures described and proposed work plan for 24/25 provide acceptable level of confidence to address the Committee's request for assurance.
3. To agree that updates shall be presented at least annually to committee to allow for ongoing monitoring.

13. I.T Control Audit Report (To Follow)

14. Internal Audit Annual Plan, Strategy and Charter (Pages 61 - 78)

This report is for the Audit and Governance Committee to review and approve the Internal Audit Charter and the plan of audit work for 2024/25 in line with the requirements of the Public Sector Internal Audit Standards.

The Audit and Governance Committee is asked to approve the Internal Audit Charter (Appendix 1), Strategy (Appendix 2) and the plan of audit work for 2024/25 (Appendix 3).

15. People & Cultural Transformation Update (Pages 79 - 126)

This report provides an update on the development and progress of the People and Cultural Transformation Strategy 2022-2026 and supporting Action Plan, as requested by the Committee in September 2023.

For the reasons set out in the report [and its appendices] the Audit Committee is recommended:

1. to receive an update on the People and Culture Transformation Strategy 2022-2026 development and action plan; and,
2. to note the achievements to date, work in progress, planned actions, and the contents of the report and Action Plan

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Audit & Governance Committee

Meeting of held on Thursday, 1 February 2024 at 6.30 pm in Council Chamber, Town Hall, Katherine Street, Croydon, CR0 1NX

MINUTES

Present: Dr Olu Olasode (Independent Chair)
Councillor Matt Griffiths (Vice-Chair);
Councillor Claire Bonham, Simon Brew, Endri Llabuti, Enid Mollyneaux,
Nikhil Sherine Thampi and Sean Fitzsimons

Also Present: Councillor Jason Cummings (Cabinet Member for Finance)

PART A

43/24 **Disclosure of Interests**

There were none.

44/24 **Minutes of the Previous Meeting**

The minutes of the meeting held on 30 November 2023 were approved as an accurate record.

45/24 **Urgent Business (if any)**

There were none.

46/24 **Audit and Governance Committee Action Log**

At the request of the Committee Jane West, Section 151 Officer, provided a verbal update on the status of the 2019/20 accounts, which had been due to the February meeting. It was advised the 2019/20 accounts had been close to completion in December 2023, however there had been an issue which required incorporation and adjustments to be made and had caused the delay. The council was awaiting the external auditor's final position on the issue and anticipated either an additional Audit and Governance Committee to be scheduled in February 2024 or the 14 March 2024 meeting would receive the final 2019/20 accounts at the latest.

The cost implications and frustration of the ongoing audit of the 2019/20 accounts were noted and the committee queried what support it could provide in resolving this. Councillor Cummings, Cabinet Member for Finance commented on the frustration around the issues which had arisen

and caused further delays and reminded the committee it could hold to the external auditors to account.

The consultation regarding the government's proposals to implement a backstop date for the auditing of local government accounts on 30 September 2024 was expected to open soon. These proposals would impact Croydon's ability to complete its backlog of accounts. The 2022/23 accounts would not be completed in time and discussions were ongoing with the external auditors regarding the feasibility of completing the 2021/22 accounts if the backstop was implemented. Officers advised they were unsure how the opening balances for 2023/24 would be ascertained if the previous year's accounts were not able to be completed. Croydon had written to the National Audit Office (NAO) noting the council's challenging position and had requested dispensation to allow the auditing of all previous year's accounts to be completed. The NAO had advised these comments were to be submitted when the consultation formally opened. Officers confirmed funds to cover the increased audit costs were held as a reserve. The public interest in the council's full completion of the accounts was noted and it was the council's intention to complete all years to have a full record. It was suggested that the Audit and Governance Committee may be able to support the council's response to the NAO consultation.

In response to questions from the committee around the resources available to complete the accounts, officers advised the Finance Team had a dedicated team working on the financial statements and auditor queries. There was pressure on Grant Thornton's resources however this was being discussed regularly and there was intent for the external auditors to retain the same team for Croydon.

The committee queried whether Croydon had engaged with the Department for Levelling up, Housing and Communities (DLUHC) on the backstop proposals. Officers advised they had, there were numerous government bodies involved in the national discussion including the Financial Reporting Council, CIPFA and the Local Government Association (LGA). Audit resources were a national issue, and all parties would need to agree to a way forward. Croydon was lobbying and in conversation with DLUHC regularly regarding its position on the backstop proposals.

47/24

Committee Work Programme and Assurance Mapping Document

Dave Phillips, Head of Internal Audit noted the inclusion of reporting cycles within the assurance mapping document as requested by the committee. Whilst officers would facilitate any updates, it was the intention for the committee to have ownership of the document going forward.

The Committee queried if the People and Culture Transformation Programme and Transformation Strategy should be included in the assurance mapping document. It was advised that the assurance

mapping would be developed further at the beginning of the next municipal year and would build in the governance arrangements for the Exit Strategy Action Plan which was still being developed. The committee intended to extend the assurance mapping to include the Exit Strategy Action Plan and Transformation Programmes once these were available.

The Committee noted the People and Culture Transformation Strategy update on the March meeting agenda and suggested that this could be a presentation on Transformation as a whole, including the design structures and risk.

A discrepancy between the action log and the work programme was raised and officers agreed to review the documents. The expanding work programme and the committee's responsibility to encourage a good pace of response from officers were discussed.

An update on the gas safety compliance was requested to be included on the March meeting agenda.

48/24

Annual Governance Statement (Update on Action Plan 2022/23)

Stephen Lawrence-Orumwense, Monitoring Officer introduced the report and Annual Governance Statement (AGS) action plan updates to the committee. Huw Rhys-Lewis, Interim Director of Commercial Investment & Capital, Paul Golland, Interim Chief Digital Officer & Director of Resident Access and Chris Dyson, Data Protection Manager were present to provide detailed updates and to answer the Committee's questions in relation to the Procurement and Contract Management and Information Management and actions.

There had been significant progress in completing the RIPI 2 recommendations and work was underway to ensure these actions were embedded in the council's practices. A session had taken place with stakeholder officers and presentations on the lessons learned and changes in practice would be shared across internal boards/forums to ensure continued discussion and awareness by responsible officers. The thematic overlaps between the RIPI2 actions and the Improvement Panel Exit Strategy recommendations were noted. An Exit Strategy Action Plan Tracker had been developed and the committee would receive reporting on the recommendations when targets were set.

Some actions included in the reports were ongoing and the committee asked how completed actions would be reviewed to ensure they were embedded and issues did not reoccur. It was advised that the council's internal audit function would be testing completed actions and part of this was to ascertain their implementation within business-as-usual practices. The audit plan would cover the issues flagged by RIPI 2 and provide the continuous assurance. The Committee requested the future internal audit test date to be included in the tracker for those actions marked complete.

Councillor Cummings commented that the scale of recommendations and actions included within the AGS were far larger than a council in normal position and there was work to be done to return to an acceptable level of monitoring and to ensure the council was not too backward looking.

Huw Rhys-Lewis, Interim Director of Commercial Investment & Capital advised the improvement work already undertaken had met the requirements of the RIPI 2 recommendations and the service was now focussed on the development of improvement plans for Procurement and Contract Management to satisfy the Improvement Panel Exit Strategy. The team had undertaken benchmarking with other local authorities and incorporated the government best practice guidance. The improvement plans were expected to be finalised by March 2024 and would be recommended to Council for approval. The plans incorporated and provided flexibility for the requirements anticipated under the new procurement act. Contract management improvements prioritised key contracts and commercial reviews had been implemented to measure the performance and identify any issues or changes required.

The committee asked what percentage of contracts were now procured through the improved process. 460 contracts had been identified by the deep dive undertaken in July 2023 and around 50% of these were deemed compliant. Since then, improvements were ongoing to improve compliance and had included the allocation of a dedicated procurement manager for each team. Non-compliant contracts were typically below £180,000 in value with an approximate total value of between £30 million and £40 million.

The committee queried the approach taken when the resolution of a non-compliant contract would cause significant disruption to the council and/or residents. Officers advised a pragmatic approach was taken, with the complexity and impact of each contract considered. In some cases, if this would affect the council's statutory responsibilities, this was registered until the contract was due for renewal (typically within 3-5 years) and it could be reprocured compliantly.

Cllr Cummings advised the committee of the quarterly procurement plan update and annual procurement plan which were reported via cabinet, were available online and could be distributed to committee rather than duplicating a process.

Officers agreed to summarise the output of the deep dive which had informed the improvement plans including the benchmarking data, with the committee. The improvement plan would also be shared once finalised.

Paul Golland, Interim Chief Digital Officer & Director of Resident Access presented an update on the Information Management action progress. Following intervention by the Information Commissioners Office (ICO)

improvement plans had been developed and shared with the ICO and resourcing had been allocated to clear the backlog of Freedom of Information (FOI) and Subject Access requests (SAR). The council was now achieving its target of 90% of requests serviced within the timescales. The ICO had provided positive feedback on the council's progress and it was expected the ICO's oversight of Croydon would end soon. The complexity and importance of rectifying the information management issues to ensure the council was meeting its legal obligations and offering transparent access to public information was noted.

Chris Dyson, Data Protection Manager advised the committee there was currently one outstanding FOI from the backlog, this was expected to be closed in the following week and should end the ICO's enforcement. The current caseload was 47 FOIs and 40 SARs, and both were reducing. Training courses were provided for staff each month and there had been good uptake of the mandatory online training for all new starters.

In response to questions officers advised reaching compliance had been the focus of Information Management resourcing. An Information Management strategy review was in development and an Internal Information Control Board had launched to proactively monitor and respond to breaches. The council was intending to move towards being a more paperless organisation and adopting new technologies to index and find information. The Information Management strategy recommendations would be included within the broader transformation programme.

The committee raised concerns about the recurrent Information Management performance issues, noting the performance data on the council's website was dated March 2023. The committee noted issues of appropriate resourcing, ineffective software and highlighted the importance of staff culture in providing timely responses to information requests. The committee asked whether Croydon was close to a position of best practice in this area. Officers advised there remained work to be done and the next phase of strategic review was in development. Over the last 18 months the focus of resources had been placed on achieving improvements to data transparency which had been to the detriment of other areas. Approval of the Information Management strategy in the coming months would enable improvement work to move on to other areas. The improvement in this area was positive with increased awareness across the council of the requirements to respond to FOI and SAR requests and the council's website should reflect this.

The committee queried if proactive actions could be taken to minimise the number of FOI/SAR requests received. It was advised part of the improvement plan work included the adoption of software which made previous requests publicly available to avoid work on duplicate requests. A rationalisation of the systems previously used had been completed and there was now one platform used to manage requests. Information requested was usually council information held by services and if not

personal or exempt, was technically public information however local authorities did not make all this available online.

Accessibility would be a key area for improvement. Cllr Cummings noted the issue of searches on the website not returning the most up to date information and advised updated FOI performance data was available online via the Mayor's Performance Report. There had been a change culturally regarding treatment of information, for example FOI requests had prompted the publication of information on the council's website rather than only responding to the request. The timeliness of information publication had improved, for example the Financial Period Monitoring Reports were published immediately following sign off ahead of Cabinet.

The committee queried whether new targets were set for areas where current actions were now completed. It was advised if the committee was satisfied that the action required had been taken it would no longer need to be identified as a governance issue or included on future AGS action trackers. The 2023/24 Annual Governance Statement would include a review of completed actions. The Exit Strategy Action Plan tracker included 177 actions and this would be a key area of focus for the committee going forward.

The committee RESOLVED, to; consider and comment on the Annual Government Statement (AGS) 2022/23 Action Plan Update which was attached as Appendix 1.

49/24

Risk Register Entry 'Deep Dive'

Malcom Davies introduced the risk register entry deep dive on risk PR0013 Sustainable Parking Income. Jayne Rusbatch, Head of Highways and Parking presented a deep dive presentation to the committee, available at Appendix 1 within the agenda pack.

The committee queried the basis upon which the risk had been downgraded from red to amber. Officers advised this was due to the increased sustainability of the 2023-24 budget and certainty around the income expected from ANPR cameras. It was noted that narrative explaining the effectiveness of control actions in future reports would provide the committee with assurance around risk downgrades.

Councillor Cummings advised parking income had become a high-profile item for the council due to the large variance in the 2022/23 budget due to budgeting failures rather than the operation of the department. This position had improved and 2023/34 performance aligned with the budget. It was agreed the risk register entry required rewording.

Clarification was requested on whether the £26 million expected income was on track and the impact of the council's recent Penalty Charge Notice (PCN) software issues. Nick Hibberd, Corporate Director of Sustainable

Communities, Regeneration & Economic Recovery advised the recent problem with printing had impacted 3100 PCN's where motorists had not received the first notice of contravention with the opportunity to pay a discounted rate. The council was cancelling those PCNs with an average income yield of £56 per PCN. This incident would be reflected in the next risk register entry update and future control measures. The royal mail delivery delays in Croydon were noted, officers advised the scale of the issue was small, but it was a problem all parking services encountered. It was confirmed that Croydon actively challenged PCN appeals.

The challenges to achieve a customer focused service when income was based upon penalties was raised and the committee queried if there were additional risks associated with this. The balance required between setting objectives and a correct budget policy was explained by officers. Examples of this were objectives to support the local economy achieved by setting parking charges at an appropriate level to encourage visitors and customer churn and school street safety objectives where there were regulations during school hours and penalty charges for contraventions.

The Committee RESOLVED to; note the contents of the risk presentation attached in Appendix 1.

50/24

Dedicated Schools Grant (DSG) Deficit Management Plan

Shelley Davies, Director of Education introduced the update report to the committee.

The committee asked if there was a risk that it would not be possible to rectify the deficit due to the borough's population growth and increased need. It was advised that the Safety Valve programme supported Croydon and other councils to reduce their cumulative deficits whilst achieving a balanced in year budget. The service had significantly reduced its overspend and made strategic plans to reduce spend including maximising in-borough provision.

The Committee RESOLVED, to note:

- a) The key performance targets set under the DfE Safety Valve agreement.
- b) The overall performance of the Deficit Recovery Plan against the target and challenges and risks of delivery.
- c) The impact on the accounting treatment of the DSG deficit as provided for in the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003/3146, as amended by the Local Authorities (Capital Finance and Accounting) (England) (Amendment) Regulations 2020 and the Local Authorities (Capital Finance and Accounting) (England) (Amendment) (No. 2) Regulations 2022.
- d) Challenges faced by the service with the implementation of new Education system (Synergy) from Capita One.

Quarterly Whistleblowing Update

Stephen Lawrence-Orumwense, Monitoring Officer introduced the report to the committee.

The intention to increase awareness of the whistleblowing policy via internal communications was welcomed. The committee queried whether the 7 whistleblowing disclosures in the 6-month period covered by the report was usual in comparison the previous year's figures. It was advised there had been greater take up of the whistleblowing procedure amongst staff over the last year. The comparison data and benchmarking data would be included in future reporting. The additional avenues available to staff including the Guardian's Programme were noted.

In response to questions officers advised the ongoing investigation cited within the report was slightly delayed due to the complexity of case. Timescales would be included in the next whistleblowing report.

The committee queried what success looked like for whistleblowing and whether it was possible to also include the additional avenues available into the whistleblowing reporting. It was advised that upheld investigations resulting in changes in practice indicated success. The strength of the council's anti-fraud team and the receipt of direct referrals to the team resulted in less need for whistleblowing disclosures. It was noted that if staff utilised the whistleblowing process for issues such as 'covering up' when things had gone wrong, this would indicate a cultural issue within the organisation.

Officers agreed to include a paragraph on the other activities in this area within the whistleblowing annual report.

There had been a session on the Guardian's Programme delivered for Scrutiny and this recording was available.

The Committee RESOLVED, to; note the whistleblowing disclosures and the outcomes.

The meeting ended at 8.25 pm

Audit and Governance Committee Action Log

Date of meeting	Action	Minute ref.	Deadline	Progress
19 January 2023	Benchmarking data on Whistleblowing incidences at other Councils to be included in future reporting.	29/22	By next report	Feb 2024: Agreed to provide comparison data in future reporting. Agreed to include alternative routes of escalation (e.g. the Guardians Programme) in next whistleblowing report.
02 February 2023	Previously shared dashboard style reporting illustrating the movement of risks to be brought to Committee.	34/22	April 2024 meeting	Updated Risk Management software being launched 19/10/23. This will enable dashboard reporting to be included in next risk report.
02 March 2023	Prioritisation of recommendations to be included in future opening the books reporting and action tracker.	40/22	June 2023 meeting	Prioritisation to be undertaken and included in the next Revenue & Capital Monitoring Improvements report.
02 March 2023	Committee to receive quarterly MTFS tracker to monitor budget variances.	41/22	Ongoing	Link to future Financial Performance Reports to be included in the Committee Action Log. period-8-financial-performance-report-2023-24 .pdf (croydon.gov.uk)
02 March 2023	Development of process to involve the Cabinet Member for Finance in resolving recurrent internal audit actions whilst ensuring visibility to the Committee.	42/22	Ongoing	Amending audit protocol to include escalation to KK for lack of responses to reports and to later be expanded to include follow ups. Once in place further escalations are being considered.

20 April 2023	Report on 15% Council Tax VFM increase to External Auditor	49/22	June 2024 meeting	<p>March 2024: The June report will include the following to demonstrate the Value for Money delivered by the 2023-24 budget:-</p> <ul style="list-style-type: none"> • Increased transparency in relation to the Council's budgeting and spending • Improved use of unit costs and benchmarking data • Linking performance to budget outcomes • Public engagement on the budget
20 April 2023	Risk Management Reporting to include risk movement and time spent as red. Ensure future control dates are not in the past.	53/22	April 2024 meeting	Updated Risk Management software launched 19/10/23. This will enable dashboard reporting to be included in next risk report (April 2024).
20 July 2023	Future Energy Recharges reporting to include monetary values.	7/22	September 2024 meeting	
21 September 2023	Update on Cultural Transformation Programme: The Committee requested future reporting on implementation of the action plan, governance and benchmarking of the people and workforce.	17/22	March 2024 meeting	Complete. Update on Cultural Transformation Programme on March meeting agenda.
19 October 2023	Risk Reporting: Next risk report to have all control measure targets updated to future dates.	28/22	April 2024 meeting	
19 October 2023	Oracle Improvement Programme: Future reporting to include user and cultural adoption issues and any licensing costs and/or risk implications.	29/22	April 2024 meeting	Added to work programme to coincide with Cabinet report.
19 October 2023	Oracle Improvement Programme: The Committee requested a review of implementation of all other software systems within the council, to provide assurance on the Value for Money and	29/22	March 2024 meeting	Complete. Core Business Systems Assurance Review Update on March meeting agenda.

	effective use all major software systems utilised to deliver internal and external services.			
19 October 2023	Anti-Fraud Update: The Committee requested updates on Anti-Fraud engagement with Registered Social Landlords.	30/22	April 2024 meeting	
1 February 2024	A discrepancy between the action log and the work programme was raised, officers agreed to review the documents.	47/24	March 2024 meeting	Complete.
1 February 2024	AGS 2022/23 Update: The committee requested the future Internal Audit test date to be included in the tracker for those actions marked complete.	48/24	By next report	
1 February 2024	AGS 2022/23 Procurement and Contract Management: Officers agreed to summarise and share the output of the deep dive which had informed the improvement plans including the benchmarking data, with the committee. The improvement plan would also be shared once finalised.	48/24	March 2024	Complete. Data shared with Committee 21/02/24. Draft improvement plan expected late March 2024.

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Audit & Governance Committee Work Programme 23-24

11-Apr-24	Governance of Transformation	Sharon Godman, Director of Transformation
	Corporate Risk Register EoY report	Malcolm Davies, Head of Antifraud, Risk & Insurance
	Anti Fraud Report EoY report	Malcolm Davies, Head of Antifraud, Risk & Insurance
	Oracle Improvement Programme Update	Jane West, S151 Officer & Mark Moody, Programme Lead
	Revenue and Capital Monitoring Improvements	Allister Bannin, Director of Finance (Deputy S151)
	2024 - 2025 Committee Work Programme	Hannah Cretney, DSGO

July 2023 - Agreed Officers to provide updates to Committee on Fairfield Halls as information becomes available.

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Audit and Governance Committee

(Membership 9: one independent, suitably qualified Chair who may not be a Member or officer of the Council and one independent, suitably qualified co-optee)

Purpose

The Audit and Governance Committee provides an independent and high level focus on the audit, assurance and reporting arrangements that underpin good governance and financial standards. The Committee's purpose is to:

1. provide independent assurance to the Council of the adequacy of the risk management framework and the internal control environment;
2. oversee internal and external audit, helping to ensure that efficient and effective assurance arrangements are in place;
3. provide independent review of the Council's governance, risk management and control frameworks
4. oversee the financial reporting and annual governance processes and
5. provide independent scrutiny of the Council's financial and non-financial performance to the extent that it affects the Council's exposure to risk and weakens the control environment.

Governance, risk and control

1. To monitor the effective development and operation of the Council's risk management arrangements, the control environment and associated anti-fraud, whistleblowing and anti-corruption, strategies, actions and resources. To consider a quarterly report on whistleblowing activity in the Council..

Sources of Assurance:

Risk:- Regular risk updates. *The Committee should be able to sense check these updates using deep dives, the Annual Governance Statement, Internal Audit reports and their own knowledge of the Council and economy.*

Anti-Fraud: Regular anti-fraud updates and approval of the annual anti-fraud proactive plan.

Whistleblowing: The quarterly report on whistleblowing.

2. To monitor progress in addressing risk-related issues reported to the committee. To consider reports on the effectiveness of internal controls and monitor the implementation of agreed actions.

Sources of Assurance:

Risk:- Regular risk updates. *The Committee should be able to compare successive reports and the actual and proposed controls to monitor progress.*

Internal Control effectiveness: Regular Internal Audit updates. *The results of audit work will provide the Committee assurance over this, as Internal Audits seeks assurance over the design and effectiveness of controls, as well as compliance.*

3. To consider the Council's framework of assurance, including the Statement on Internal Control, and ensure that it adequately addresses the risks and priorities of the Council. To review the Council's corporate governance arrangements against the good governance framework and consider the local code of governance. To review the Annual Governance Statement prior to approval and consider whether it properly reflects the risk environment and supporting assurances.

Sources of Assurance:

Framework of Assurance: Provided as part of the preparatory documents for the Annual Governance Statement process. *These documents include the governance framework, Code of Governance and Director Assurance Statements.*

Statement of Internal Control: Annual Governance Statement review. *The AGS superseded the SIC. The Committee will compare the AGS against the annual HoIA (Head of Internal Audit) report and knowledge which they have gleaned from risk and anti-fraud updates.*

4. To review the governance and assurance arrangements for significant partnerships or collaborations. To ensure appropriate arrangements are in place in relation to any subsidiary bodies controlled by the Council.

Sources of Assurance:

Significant partnerships/collaborations/subsidiary *The Committee can gain assurance from a variety of sources, including risk register reviews, deep dives, Internal Audit work, External Audit reports and the Annual Governance Statement, but there is no one document/report to the Committee on this.*

Plus Scrutiny Committee minutes.

5. To consider the effectiveness of the Council's policies, standards and processes for transparency, ensuring that they meet Government requirements and take into account best practice.

Sources of Assurance:

Council policies, standards and processes for transparency: I am not aware of any *specific document/report to the Committee on this, although some audits will include this as a focus. There is also the Committee's work with Scrutiny.*

Plus Scrutiny Committee minutes

Internal audit

6. To consider the Council's arrangements to secure value for money and review assurances and assessments on the effectiveness of these arrangements.

Sources of Assurance:

Value for Money: Both Internal and External Audit reports. *The Committee will gain assurance from audit reports, where vfm issues are not reported, as well as the external auditors vfm opinion.*

Additional reports on culture and achieving best value

7. To approve the internal audit charter.

Sources of Assurance:

Internal Audit charter: This is presented to the Committee Annually, usually in March every year.

8. To review proposals made in relation to the appointment of external providers of internal audit services and to make recommendations. To consider any impairments to independence or objectivity arising from additional roles or responsibilities outside of internal auditing of the head of internal audit. To periodically review safeguards to limit such impairments.

Sources of Assurance:

Appointment of external providers: This is not due, but will be reported when due.

Independence: Internal Audit strategy, Internal Audit Charter and the Head of Internal Audit Annual report. *The Committee will agree the Strategy and Charter looking forwards and gain assurance looking backwards from the annual Head of Internal Audit report, which is required to report any conflicts etc.*

9. To review (but not direct) internal audit's risk-based strategy, plan and resource requirements, the approach to using other sources of assurance and any work required to place reliance on those other sources. To approve significant interim changes to the risk-based internal audit plan and resource requirements.

Sources of Assurance:

Audit Plan: This is presented to the Committee Annually, usually in March every year. *The Committee will be able to assess the coverage of the annual plan, the accompanying resource requirements and the approach to using other sources of assurance. Any significant changes (which would include a significant reduction in days or other significant changes rather than the addition, deferment or omission of some audits) to the plan should be brought to the Committee, and the Annual Head of Internal Audit report will report on changes to the plan that may have occurred.*

10. To review summary internal audit reports and the main issues arising and seek assurance that action has been taken where necessary. To receive reports outlining the action taken where the head of internal audit has concluded that management has accepted a level of risk that may be unacceptable to the authority or there are concerns about progress with the implementation of agreed actions.

Sources of Assurance:

Internal Audit reports : Quarterly Internal Audit updates and the Annual Head of Internal Audit report. *Based on these reports, the Committee should ask management for assurance that key risks / issues are being dealt with. This should partly be reflected in the progress of action plans being cleared and partly with risks and accompanying actions on the risk register. The Council's Annual Governance Statement will also help inform action/s being taken.*

11. To receive the annual report of the Head of Internal Audit and make recommendations as appropriate to management, Cabinet and/or Full Council. To consider reports from the head of internal audit on internal audit's performance during the year, including the performance of external providers of internal audit services and make recommendations as appropriate to management, Cabinet and/or Full Council.

Sources of Assurance:

Internal Audit reports : Quarterly Internal Audit updates and the Annual Head of Internal Audit report.

12. To advise and recommend on effective relationships between external and internal audit, inspection agencies and other relevant bodies, and that the value of the audit process is actively promoted.

Sources of Assurance:

Relationships between Internal, External Audit and other bodies: No specific papers.

The Committee should consider and, where appropriate, seek these assurances verbally when presentations are made by these respective parties.

13. To contribute to the Quality Assurance Improvement Programme and in particular to the external quality assessment of internal audit.

Sources of Assurance:

External quality Assessment: Presentation of the completed EQA.

This is a process that should occur every 5 years. The Committee (and in particular the Chair) will be asked to contribute towards this.

14. To provide free and unfettered access to the Committee Chair for the head of internal audit, including the opportunity for a private meeting with the Committee.

Sources of Assurance:

Unfettered access: Bi-weekly meetings with the Chair and the Head of Internal Audit.

External audit

15. To consider the external auditor's annual assessment of its independence and review any issues raised by Public Sector Audit Appointments Ltd.

Sources of Assurance:

External Audit independence: External Audit Fee updates, interim and year end reports. Ad hoc reports by PSAA, if any.

16. To make recommendations to Council relating to the appointment of the external auditor.

Sources of Assurance:

External Audit appointment: Report recommending use of PSAA for External Audit appointment, which is every 5 years.

17. To consider the reports of external audit and inspection agencies and make recommendations as appropriate to management, Cabinet and/or Full Council. To review the external auditor's opinion and reports to Members, and monitor management action in response to the issues raised by external audit.

Sources of Assurance:

External Audit Reports: External Audit interim, year end and other ad hoc (such as RIPI) reports

Other inspection reports: Ombudsmen reports.

I am not aware of any automatic sharing of Ofsted and other inspection agency reports.

To comment on the scope and depth of external audit work and ensure it gives value for money.

Sources of Assurance:

Depth External Audit Work: External Audit interim and year end reports.

The Committee should (in particular) review the external Auditors' best value opinion and the work to achieve this. The audit of the accounts is strongly governed by statute and external audit is subject to inspections on the quality of this work. The best value opinion is more subjective.

The Committee should seek to also gain assurance via the Council's S151 Officer and its Finance function.

Financial reporting

18. To review the annual statement of accounts and specifically to consider whether appropriate accounting policies and the CIPFA Financial Management Code have been followed, and whether there are concerns arising from the financial statements or from the audit that need to be brought to the attention of the Council.

Sources of Assurance:

Annual Accounts: External Audit interim, year end and ad hoc reports, the Draft Annual Accounts.

The Committee should seek to also gain assurance via the Council's S151 Officer and its Finance function.

Accountability and escalation

19. To report to the full Council on the Committee's findings, conclusions and recommendations concerning the adequacy and effectiveness of the Council's governance, risk management and internal control frameworks, financial reporting arrangements and internal and external audit functions.
20. To make an annual report to the full Council on the Committee's performance in relation to its terms of reference and the effectiveness of the Committee in meeting its purpose.

ToR paragraph no.	Source of assurance	Frequency
1.	Risk:- Regular risk updates. <i>The Committee should be able to sense check these updates using deep dives, the Annual Governance Statement, Internal Audit reports and their own knowledge of the Council and economy.</i>	Quarterly
	Anti-Fraud: Regular anti-fraud updates and approval of the annual anti-fraud proactive plan.	Quarterly
	Whistleblowing: The quarterly report on whistleblowing.	Quarterly
2	Risk:- Regular risk updates. <i>The Committee should be able to compare successive reports and the actual and proposed controls to monitor progress.</i>	Quarterly
	Internal Control effectiveness: Regular Internal Audit updates. <i>The results of audit work will provide the Committee assurance over this, as Internal Audits seeks assurance over the design and effectiveness of controls, as well as compliance.</i>	Quarterly
3	Framework of Assurance: Provided as part of the preparatory documents for the Annual Governance Statement process. <i>These documents include the governance framework, Code of Governance and Director Assurance Statements.</i>	Annually
	Statement of Internal Control: Annual Governance Statement review. <i>The AGS superseded the SIC. The Committee will compare the AGS against the annual HoIA (Head of Internal Audit) report and knowledge which they have gleaned from risk and anti-fraud updates.</i>	Annually
4	Significant partnerships/collaborations/subsidiary <i>The Committee can gain assurance from a variety of sources, including risk register reviews, deep dives, Internal Audit work, External Audit reports and the Annual Governance Statement, but there is no one document/report to the Committee on this. Plus Scrutiny Committee minutes.</i>	Ad hoc
5	Council policies, standards and processes for transparency: <i>I am not aware of any specific document/report to the Committee on this, although some audits will include this as a focus. There is also the Committee's work with Scrutiny. Plus Scrutiny Committee minutes</i>	N/a

6	Value for Money: Both Internal and External Audit reports. <i>The Committee will gain assurance from audit reports, where vfm issues are not reported, as well as the external auditors vfm opinion. Additional reports on culture and achieving best value</i>	Internal Audit Reports – ad hoc External Audit Reports - Annually
7	Internal Audit charter: This is presented to the Committee Annually, usually in March every year.	Annually
8	Appointment of external providers: This is not due, but will be reported when due.	Every 5 years
	Independence: Internal Audit strategy, Internal Audit Charter and the Head of Internal Audit Annual report. <i>The Committee will agree the Strategy and Charter looking forwards and gain assurance looking backwards from the annual Head of Internal Audit report, which is required to report any conflicts etc.</i>	Annually
9	Audit Plan: This is presented to the Committee Annually, usually in March every year. <i>The Committee will be able to assess the coverage of the annual plan, the accompanying resource requirements and the approach to using other sources of assurance. Any significant changes (which would include a significant reduction in days or other significant changes rather than the addition, deferment or omission of some audits) to the plan should be brought to the Committee, and the Annual Head of Internal Audit report will report on changes to the plan that may have occurred.</i>	Annually
10	Internal Audit update reports : Quarterly Internal Audit updates and the Annual Head of Internal Audit report. <i>Based on these reports, the Committee should ask management for assurance that key risks / issues are being dealt with. This should partly be reflected in the progress of action plans being cleared and partly with risks and accompanying actions on the risk register. The Council's Annual Governance Statement will also help inform action/s being taken.</i>	Quarterly
11	Internal Audit reports : Quarterly Internal Audit updates and the Annual Head of Internal Audit report.	Quarterly
12	Relationships between Internal, External Audit and other bodies: No specific papers. <i>The Committee should consider and, where appropriate, seek these assurances verbally when presentations are made by these respective parties.</i>	N/a
13	External quality Assessment: Presentation of the completed EQA. <i>This is a process that should occur every 5 years. The Committee (and in particular the Chair) will be asked to contribute towards this.</i>	Every 5 years

14	Unfettered access: Bi-weekly meetings with the Chair and the Head of Internal Audit.	Bi-weekly
15	External Audit independence: External Audit Fee updates, interim and year end reports. Ad hoc reports by PSAA, if any.	Each is once a year.
16	External Audit appointment: Report recommending use of PSAA for External Audit appointment, which is every 5 years.	Every 5 years
17	External Audit Reports: External Audit interim, year end and other ad hoc (such as RIPI) reports	Annually
	Other inspection reports: Ombudsmen reports. <i>I am not aware of any automatic sharing of Ofsted and other inspection agency reports.</i>	Ad hoc
	Depth External Audit Work: External Audit interim and year end reports. <i>The Committee should (in particular) review the external Auditors' best value opinion and the work to achieve this. The audit of the accounts is strongly governed by statute and external audit is subject to inspections on the quality of this work. The best value opinion is more subjective. The Committee should seek to also gain assurance via the Council's S151 Officer and its Finance function.</i>	Annually
18	Annual Accounts: External Audit interim, year end and ad hoc reports, the Draft Annual Accounts. <i>The Committee should seek to also gain assurance via the Council's S151 Officer and its Finance function.</i>	Annually

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Audit and Governance Update

Gas Safety Compliance Update

Annual Gas Safety – Compliance Progress Update

Annual Gas Safety Check Compliance

- Current performance 98.44%, as of 5th March
- Reducing at steady pace since Christmas Break
- Easter break & holiday implications
- Forecast to achieve 99.5% w/c 15th April

LONDON BOROUGH OF CROYDON

REPORT:	AUDIT & GOVERNANCE COMMITTEE	
DATE OF DECISION	14 March 2024	
REPORT TITLE:	Anti-Fraud & Corruption Strategy	
CORPORATE DIRECTOR / DIRECTOR:	Jane West Corporate Director Resources	
LEAD OFFICER:	Malcolm Davies, Head of Anti Fraud, Risk & Insurance, Email: malcolm.davies@croydon.gov.uk	
LEAD MEMBER:	Councillor Jason Cummings, Cabinet Member for Finance	
KEY DECISION?	No	
CONTAINS EXEMPT INFORMATION? <i>(* See guidance)</i>	NO	Public
WARDS AFFECTED:	All	

1 SUMMARY OF REPORT

- 1.1 As part of the Audit & Governance Committee's role of overseeing the anti-fraud and corruption strategy Members are asked to review and approve the contents of Croydon's refreshed Anti-Fraud & Corruption Strategy.

2 RECOMMENDATIONS

For the reasons set out in the report and its appendices the Audit & Governance Committee are recommended:

- 2.1 To approve Croydon's refreshed Anti-Fraud & Corruption Strategy.

3 REASONS FOR RECOMMENDATIONS

- 3.1 The Anti-fraud and Corruption Policy was last reviewed by Members at General Purposes & Audit committee 25 November 2021. In line with Croydon's overall review of its governance arrangements a refreshed Anti-fraud and Corruption Strategy is now due for a review by this committee

4 BACKGROUND AND DETAILS

- 4.1 The refreshed strategy has been updated to reflect the establishment of the Counter Fraud Shared Service, with the London Borough of Lambeth, since the strategy was last considered by Members and in particular the greater emphasis on fraud prevention.
- 4.2 *The strategy cross-references with other refreshed and revised policies and strategies of the council including the Members' Code of Conduct; Officers' Code of Conduct; Whistle-blowing Policy; Financial Regulations and Contract and Tender Regulations and a further reference to the Nolan Principles of public life.*
- 4.3 In particular it should be noted that the 'five pronged' approach to tackling fraud: 'govern, acknowledge, prevent, pursue and protect' specifically references a risk management approach to tackling fraud with a fraud risk register as a starting point to understanding the Council's exposures.
- 4.4 It is recognised that tackling fraud and corruption requires everyone associated with the council to play their part and the strategy specifically references those corporate responsibilities along with the role of officers and members, contractors internal audit and lastly the counter fraud shared service respectively.
- 4.5 In line with the Council's commitment to openness and transparency, this report will appear in Part A of the agenda unless, in accordance with the Access to Information Procedure Rules in the Council's Constitution there is specific justification for any individual item being considered under Part B (set out under Paragraph 3 of Schedule 12A of the Local Government Act 1972 as amended).
- 4.6 It should be noted that some of the grounds for exemption from public access are absolute. However, for others such as that in para.3, 'Information relating to the financial or business affairs of any particular person (including the authority holding that information)', deciding in which part of the agenda they will appear, is subject to the further test of whether, in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

5 ALTERNATIVE OPTIONS CONSIDERED

- 5.1 N/A

6 CONSULTATION

6.1 N/A

7. CONTRIBUTION TO COUNCIL PRIORITIES

7.1 Getting our finances right and making the council financially sustainable.

8. IMPLICATIONS

8.1 FINANCIAL IMPLICATIONS

8.1.1 Finance have been consulted and can confirm there are no additional financial considerations arising from this report.

8.1.2 Comments approved by Lesley Shields, Head of Finance for Assistant Chief Executive and Resources on behalf of the Director of Finance. 15/02/2024

8.1.3 Revenue and Capital consequences of report recommendation

N/A

8.2 LEGAL IMPLICATIONS

8.2.1 The Head of Litigation and Corporate Law comments on behalf of the Director of Law and Governance & Monitoring Officer that the the Corporate Director of Resources has a statutory responsibility under the Local Government Act 1972 section 151 to make arrangements for the proper administration of the Council's financial affairs. These include the prevention, detection and investigation of fraud and corruption and where appropriate, the prosecution of offenders.

8.2.2 The Council also has a duty under the Crime and Disorder Act 1998 section 17 to do all it can to prevent crime and disorder.

8.2.3 This Policy is part of the Council's framework of policies designed to support the Council with complying with these responsibilities to minimise losses due to fraud and corruption.

8.2.4 Comments approved by the Sandra Herbert, Head of Litigation and Corporate Law on behalf of the Director of Law & Monitoring Officer 14/02/2024

8.3 HUMAN RESOURCES IMPLICATIONS

8.3.1 As referenced in the Council's standard terms and conditions (T&Cs) of employment, all employees are required to familiarise themselves with and abide by the Code of Conduct for Council staff which sets out expected standards of behaviour. The Code of Conduct includes reference to the mechanisms through which staff can raise actual or suspected fraud. The standard T&Cs includes a clause on Benefit Fraud and Debt, outlining that it is a disciplinary offence to be in receipt of Council and/or state benefits to which the employee is not entitled.

8.3.2 There are no other Human Resources implications arising from this report, however, should any matters arise these will be managed through the Council's HR policies and procedures.

8.3.3 Approved by: Gillian Bevan, Head of Human Resources on behalf of Chief People Officer 13/2/2024

9. APPENDICES

9.1 Anti-Fraud & Corruption Strategy

10. BACKGROUND DOCUMENTS

10.1 None

11. URGENCY

11.1 N/A

Appendix 1

Croydon Council Anti-Fraud & Corruption Strategy

1. Introduction

2. Definitions

What is Fraud?

What is Corruption?

What is Theft?

What is Financial Malpractice/Irregularity?

3. Statement of Intent and Strategy

Govern

Acknowledge

Prevent

Pursue

Protect

4. Responsibilities

Corporate Responsibilities

Councillor Responsibilities

Manager Responsibilities

Employee Responsibilities

Contractor Responsibilities

Internal Audit & Corporate Counter Fraud Shared Service Responsibilities

General Public – Responsibilities

5. Reporting a Fraud

1. Introduction

- 1.1 This document sets out the Council's policy and strategy in relation to fraud and corruption. It has the full support of the Council's Audit & Governance Committee and Corporate Management Team.
- 1.2 We are responsible for paying or spending millions of pounds of public money in delivering services, assistance and paying benefits. In addition, the Council is responsible for the management of various buildings and other assets. We are committed to ensuring that those funds and assets are legitimately used and only those entitled to services and benefits receive them. However, we recognise that all organisations within the public and private sector are at risk of fraud and in order to fulfil the Council's corporate strategy we will maximise the resources available to us by reducing fraud and misappropriation to a minimum.
- 1.3 The Council will not tolerate fraud or corruption by its councillors, employees, suppliers, contractors or service users and will take all necessary steps to investigate all allegations of fraud or corruption and pursue sanctions available in each case, including removal from office, dismissal and prosecution or a combination of these sanctions. We will also seek to recover losses incurred through fraud.
- 1.4 Central to this and as a part of our Insurance and Risk functions, we have a dedicated Anti-Fraud Team which is part of the Counter Fraud Shared Service who will investigate allegations of fraud and corruption across all Council service areas. The Anti-Fraud Team was transferred to Lambeth Council in January 2023 and is now known as the Counter Fraud Shared Service. The investigators who were transferred to Lambeth are dedicated to investigating fraud on behalf of Croydon but are now managed by Lambeth officers as part of a shared service. The Croydon team includes a Financial Investigator whose role is to recover losses and make sure any person(s) defrauding the Council does not benefit from their ill-gotten gains, along with four investigation officers and a new post of Fraud Prevention Officer. Our strategy is based upon five key themes identified in 'Fighting Fraud & Corruption Locally: A strategy for the 2020s' endorsed by the Local Government Association:
 - Govern.
 - Acknowledge.
 - Prevent.

- Pursue.
 - Protect
- 1.5 These themes exist within the overall context of an Anti-Fraud Culture promoted by the Council through its leaders, governance arrangements and general approach to fraud and corruption.
- 1.6 This Anti-Fraud and Corruption Strategy summarises the Council's position, building on the content of a number of corporate policy statements, including:
- Members Code of Conduct.
 - Officers Code of Conduct.
 - Whistle-blowing Policy.
 - Anti-Money Laundering Policy.
 - Anti-Bribery Policy.
 - Financial Regulations.
 - Contract and Tender Regulations and
 - The Procedures for the Investigation of Financial Irregularities and Fraud
- 1.7 Overarching the above policies is the fact that Council Members and Officers are expected to adopt the highest standards of propriety and to follow the 'Nolan' principles of public life which are:
- Selflessness
 - Integrity
 - Objectivity
 - Accountability
 - Openness
 - Honesty
 - Leadership

2. Defining Fraud

What is fraud?

- 2.1 The Fraud Act 2006 details the legal definitions of fraud and is used for the criminal prosecution of most fraud offences. The Council also deals with fraud in non-criminal matters. For the purposes of this Strategy fraud is defined as: A dishonest action designed to facilitate gain (personally or for

another), or to cause loss or expose another to the risk of loss at the expense of the Council, the residents of the borough or the wider national community.

- 2.2 The definition covers various offences including: deception, forgery, theft, misappropriation, collusion and misrepresentation. Although use in this context is not intended to limit the full use of the Fraud Act 2006 in the investigation and prosecution, by the Council, of any offences.

What is Corruption?

- 2.3 Corruption is the offering or acceptance of inducements designed to influence official action or decision-making. These inducements can take many forms including cash, holidays, event tickets, meals, etc.
- 2.4 The Bribery Act 2010 creates offences relating to Bribery and the Council's stance with regard to bribery is outlined in the Anti-Bribery Policy

What is Theft?

- 2.5 The Theft Act 1968 details the legal definition of theft. For the purposes of this Strategy theft is defined as the taking without consent and with the intention of not returning any property belonging to the Council or which has been entrusted to it e.g. client funds), including cash, equipment, vehicles, data, etc.
- 2.6 Theft does not necessarily require fraud to be committed. Theft can also include the taking of property belonging to our staff or Members whilst on Council property.

What is Financial Malpractice/Irregularity?

- 2.7 This term is used to describe any actions that represent a deliberate serious breach of accounting principles, financial regulations or any of the Council's financial governance arrangements. They do not have to result in personal gain.

3. Statement of Intent and Strategy

- 3.1 We recognise that dealing with fraud is important and that it has a duty to Council Taxpayers and Central Government to ensure that all public funds are administered correctly.
- 3.2 Our strategy combating fraud and corruption is made up of the following key elements:

Govern

Having robust arrangements and executive support as part of Croydon's Code of Governance, to ensure antifraud, bribery and corruption measures are embedded throughout the organisation.

Acknowledge

We acknowledge that as an organisation we are at risk of fraud and will seek to understand our fraud risks, we will:

- Assess and understand the fraud risks that the Council faces.
- Maintain a Counter Fraud Shared Service whose members are trained and qualified to the latest public sector counter fraud accreditation and are members of the Government Counter Fraud Profession
- Maintain a fraud risk register.
- Maintain a robust Anti-Fraud, bribery and corruption response.

Prevent

The Council recognises that fraud and corruption are costly, both in terms of financial losses and reputational risk. The prevention and detection of fraud is therefore a key objective of the authority. The Internal Audit Team and the Counter Fraud Shared Service work side by side to provide the Council's audit and fraud investigation functions. They employ a multidisciplinary approach that includes pro-active work determined by a formal risk assessment. In addition, the team are free to work with other agencies in pursuance of the Council's anti-fraud aims. In addition, the prevention and detection include a commitment to:

- Seek to promote an anti-fraud culture across the community by publicising the impact of fraud on the community. We will also seek to assist our partners and stakeholders to understand and reduce the threats of fraud. Furthermore, we will seek to deter fraudsters through specific publicity and general campaigns.
- Publicise counter fraud work to the widest possible audience and all successful prosecutions will be reported to the media.
- Undertake data matching with other Local Authorities and relevant external organisations to pro-actively identify fraudulent activity.
- Continue to subscribe to the National Anti - Fraud Network (NAFN) to ensure it has access to all intelligence sources to combat fraud and corruption.
- Make use of information and technology
- Operate a Whistleblowing policy to ensure concerns of internal probity can be raised and this policy is operated in accordance with

the Public Disclosure at Work Act to ensure protection for those who come forward.

- Prevent fraud from entering the system in the first place by ensuring that all appropriate staff receive fraud awareness training.
- Work with HR to review all successful candidates for employment against the Cifas database.
- Review all applications for the succession and assignment of housing tenancies.
- Review all applications received under the Right to Buy scheme.
- Carry out fraud risk assessments in high-risk services.

Pursue

The Council will take a strong approach to punishing fraud and recovering fraud losses:

- In cases where fraud is discovered we will take criminal, civil or disciplinary action or a combination of these. Decisions will be based on our HR policies and the Code for Crown Prosecutors which includes the evidential and public interest tests for prosecution.
- In all appropriate cases of fraud or corruption recovery action will be taken to ensure the money is returned to us, this may include civil recovery methods or recovery through criminal proceedings using the Proceeds of Crime Act where appropriate.
- The Counter Fraud Shared Service will continue to work in partnership with other organisations such as the Department for Work and Pensions, Border Force and Immigration Enforcement and the Metropolitan Police.
- Learn lessons to minimise the risk of future frauds where possible.

Protect

Croydon Council recognises the harm that fraud can cause in the community and is committed to protecting itself and its' residents from fraud.

4. Responsibilities

Corporate Responsibilities

- 4.1 The Council is committed to the maintenance of a robust framework of procedures and policies, which if adhered to, will prevent fraud. The whistle blowing process and fraud hotline bolster these processes by being a deterrent to fraudulent activity and provide the means for reporting or detecting fraud or corruption.

4.2 The endorsement of this strategy sends a clear message that fraud against the Council will not be tolerated and where reported it will be investigated and where identified will be dealt with in a professional and timely manner using the strongest punishment available in accordance with available guidance. In addition, restitution will always be sought for the loss incurred. Through the creation and enhancement of a strong Anti-Fraud Culture the Council aims to deter potential perpetrators from targeting its finances and services. Within the corporate framework there are a number of facets that exist to protect the Council against fraud. These include:

- The Constitution, Financial Regulations, and the Scheme of Delegation.
- An established Committee fulfilling the role of an audit committee.
- An established Ethics Committee and an adopted code of conduct for Members.
- Statutory responsibility for the oversight of all financial and legal affairs.
- Declaration of interest and gifts and hospitality procedures for Members and Officers.
- Effective employee vetting procedures - recruitment checks and DBS where appropriate and a detailed staff Code of Conduct.
- Internal controls regularly reviewed and annually certificated by directors.
- Periodic checks by Internal Audit in line with a risk-based Audit Plan.
- A confidential reporting code (Whistle-blowing procedure).
- A Complaints procedure available to the public.
- An External Audit.
- A dedicated Counter Fraud Shared Service and financial investigation resource.
- Cifas membership to improve vetting in recruitment.
- Participation in the National Fraud Initiative (NFI), the NFI Hub and membership of the National Anti-Fraud Network; and
- Webpages on the intranet offering governance and anti-fraud advice to employees.

Councillor Responsibilities

4.3 The Council's Members lead by example at all times, maintaining the highest standards of probity, honesty, integrity and accountability in their dealings. This expectation is detailed in the Council's Constitution under the Members Code of Conduct, available on the Council's internet and intranet sites.

- 4.4 Councillors are required to declare any potential conflicts of interest that could be deemed to impact on the way they perform their roles. Councillors are also required to register any gifts or hospitality offered or received over a given value.

Manager Responsibilities

- 4.5 Managers are responsible for ensuring that adequate systems of internal control exist within their areas of responsibility and that these controls, checks and supervision operate in such a way as to prevent or detect fraudulent activity. The primary responsibility for the prevention and detection of fraud, therefore, rests with managers who are required to assess the types of risks and scope for potential internal and external frauds associated with the operations in their area. Internal Audit undertake independent assessments of the key risks and associated controls within systems across the Council.
- 4.6 Managers will ensure that staff receive training in 'Fraud Awareness'. The level and extent of this will depend on the work that individual employees carry out. When employees are an integral part of the control framework, it is crucial they are regularly reminded of fraud and risk issues.
- 4.7 Managers are required to report all instances of suspected, reported or detected fraud to the Head of Insurance, Risk and Anti-Fraud or the Head of the Counter Fraud Shared Service, who will offer advice on the best approach to each incident. This ensures that there is a consistent and co-ordinated professional approach to all investigations and that the associated procedures are fully compliant with legislation.

Employee Responsibilities

- 4.8 Members of staff are a very important element in the Council's efforts to combat fraud and corruption. The Officers' Code of Conduct explains the requirement for all staff to be vigilant and describes how they should raise any concerns they may have.
- 4.9 The Code requires that employees report their suspicions or knowledge of any possible fraud or corruption to their Line Manager. Where an employee feels unable to use this route they are expected to report to the Head of Service or independently to the Head of Insurance, Risk and anti-Fraud, or the Head of Counter Fraud Shared Service.

- 4.10 Through its Whistle-blowing Policy the Council provides employees and councillors with the means to report instances of suspected fraud, corruption or breaches of the Council's policies. The policy offers employees and councillors protection from recrimination and allows them anonymity if they so choose.

Contractor Responsibilities

- 4.11 The Council expects all contractors it has dealings with to act with complete honesty and integrity in all dealings with the Council, its service users and residents. The Council requires the same standards of contractors as direct employees in that contractors are required to report any suspicions or knowledge they may have in relation to fraud and/or corruption against the Council. Contractors or their employees may report all concerns to the Council's client-side staff who will in turn report the matter to the appropriate line manager or they may make a report using the Council's whistle blowing policy.

Internal Audit and Corporate Counter Fraud Shared Service Responsibilities

- 4.12 As part of the Council's system of internal control the Internal Audit team are required to undertake a risk-based assessment of all major systems operating across the Council and undertake an agreed plan of audits to test the controls in place.
- 4.13 The Council provides an anti-fraud function to facilitate the identification and subsequent investigation of alleged acts of fraud or corruption. The council is designated as a prosecuting authority by the Local Government Act 1972.
- 4.14 The Head of Anti-Fraud, Risk and Insurance is responsible for making appropriate arrangements to co-ordinate the Council work on the Cabinet Office's National Fraud Initiative (NFI) in respect of internal data matching across council systems.
- 4.15 The Head of Anti-Fraud, Risk & Insurance, or alternatively the Head of Counter Fraud Shared Service will advise Directors (or the appropriate Head of Service) of all instances of reported or detected fraud or corruption in their service area and for issuing guidance to members and management in relation to fraud and corruption related legislation and procedures.

- 4.16 The assigned Investigations Officer is responsible for reporting to and liaising with all relevant agencies on individual cases to help ensure that follow up actions are taken and co-ordinated as appropriate.

General Public – Responsibilities

- 4.17 The Council's expectation is that residents, service users and other members of the public will not tolerate abuse of the Council's assets or services. They are therefore encouraged to report any suspicions or knowledge they may have regarding any acts of fraud and corruption being perpetrated against the Council.
- 4.18 The public are made aware of the Counter Fraud Shared Service's hotline and the DWP's National Benefit Fraud Hotline. A dedicated investigation email mailbox is maintained and along with the contact numbers/ addresses are securely maintained and all referrals are treated professionally and in confidence.

5. Reporting a Fraud

- 5.1 The telephone numbers/email addresses to report of concerns relating to fraud corruption or other financial irregularities to are:
- The Counter Fraud Shared Service hotline on 020 8760 5645 or caft@croydon.gov.uk
 - Internal Audit email address governance@croydon.gov.uk
 - National Benefit Fraud Hotline 0800 854 440
 - Protect at [Contact our Advice Line - Protect - Speak up stop harm \(protect-advice.org.uk\)](https://www.protect-advice.org.uk) (Employees only)

LONDON BOROUGH OF CROYDON

REPORT:	Audit and Governance Committee	
DATE OF DECISION	14th March 2024	
REPORT TITLE:	Core Business Systems Assurance Review	
DIRECTOR:	Paul Golland, Interim Chief Digital Officer, and Director of Resident Access	
LEAD OFFICER:	Jon Martin, Interim Head of Specialist Systems Email: jon.martin@croydon.gov.uk Telephone: 0208 604 7394	
LEAD MEMBER:	Cllr Jason Cummings, Cabinet Member for Finance	
KEY DECISION?	NO	N/A
CONTAINS EXEMPT INFORMATION?	NO	Public
WARDS AFFECTED:	<i>All</i>	

1 SUMMARY OF REPORT

- 1.1 This Committee previously requested assurance that the council had measures in place to ensure effective utilisation of its core IT business applications. This report outlines the work undertaken to date and governance in place to monitor progress in this area. It proposes a work plan for 2024/25 for further improvements.

2 RECOMMENDATIONS

For the reasons set out in the report, Audit and Governance Committee, is recommended to:

- 2.1 Note the scope, measurement approach, and work undertaken to date.
- 2.2 Consider whether the measures described and proposed work plan for 24/25 provide acceptable level of confidence to address the Committee's request for assurance.
- 2.3 to agree that updates shall be presented at least annually to committee to allow for ongoing monitoring.

3 REASONS FOR RECOMMENDATIONS

- 3.1 This is the first report of this nature to the Audit and Governance Committee following a specific request for information on whether the council has effective measures in place to govern its core IT business applications.
- 3.2 The report defines the extent of the systems in scope and outlines a framework within which the key activities for using and managing core IT applications can be assessed. It then provides evidence of the current measures in place and the current work being undertaken to improve. A work plan for the next financial year is proposed.
- 3.3 It is hoped that the evidence presented in this report gives confidence to the committee that this area of governance is being managed with appropriate controls and there is a robust plan to recognise where improvements are still needed to further enhance the maturity of the measures in place. Members are invited to consider and comment on these proposals as necessary.

4 BACKGROUND

- 4.1 The *Oracle Improvement Programme* report presented on 19th October 2023 at the Audit and Governance Committee meeting highlighted several historical adoption and technical challenges which impact how well the council optimises the potential to get best value from the investment made in its IT business applications.
- 4.2 As a result: *the Committee requested assurance on the value for money and effective use of all major software systems utilised to deliver internal and external services.*
- 4.3 This report considers the separate components, which combine to support the measurement of *Value for Money* and *Effective Use* of Croydon's core business systems. It evidences the work underway to govern these elements and presents a plan to continue this work to ensure continual review and improvements are incorporated into developing the maturity of the council's governance activities.

5 SCOPE

- 5.1 Major software systems delivering internal and external services covers a broad range of technologies, applications, and suppliers. *Figure 1* below shows the core business applications landscape at Croydon.

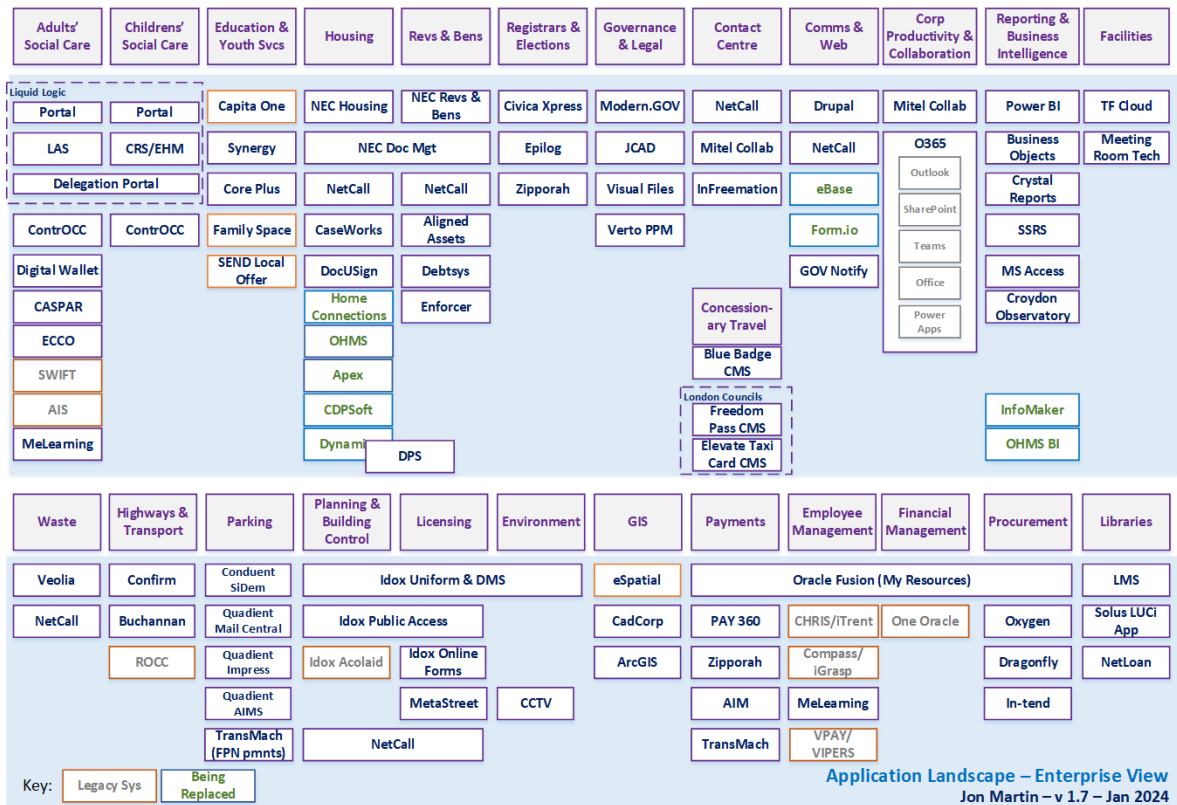


Figure 1- Business Application Landscape (Jan 24)

- 5.2 Assuring appropriate and effective governance is in place to monitor and measure the return on investment across Croydon’s core business applications and supporting technologies is complex. There isn’t a single measure. *Figure 2* below attempts to provide a breakdown of the different factors grouped into four broad categories.
- 5.3 These categories are then used in this report to evidence the current progress and maturity of the work to date and influences the future workplan which recognises where improvements are still needed to further enhance this maturity.
- 5.4 **Value for Money** focuses on the more tangible and commercial activities and processes across the organisation to ensure transparency, track expenditure, and monitor usage.
- 5.5 **Oversight and Governance** focuses on taking a holistic corporate view to ensure consistency across the organisation. Establishing strategy and standards to assure joined-up rather than siloed development of digital, data, applications, and technology.
- 5.6 **Managing Business as Usual** focuses on ensuring all aspects of using business applications to deliver services to internal officers and external customers is both sustainable and predictable. This includes having clear accountabilities, roles, and responsibilities in managing the people, processes and technology that underpin each service offering.
- 5.7 **Improving Utilisation and Capability** focuses on proactively and consciously taking time to consider how to leverage more from the investment we have already made.

Part of this is through the regular version updates to core applications, but also through the challenge of workarounds and pain points and opportunities created through innovation.

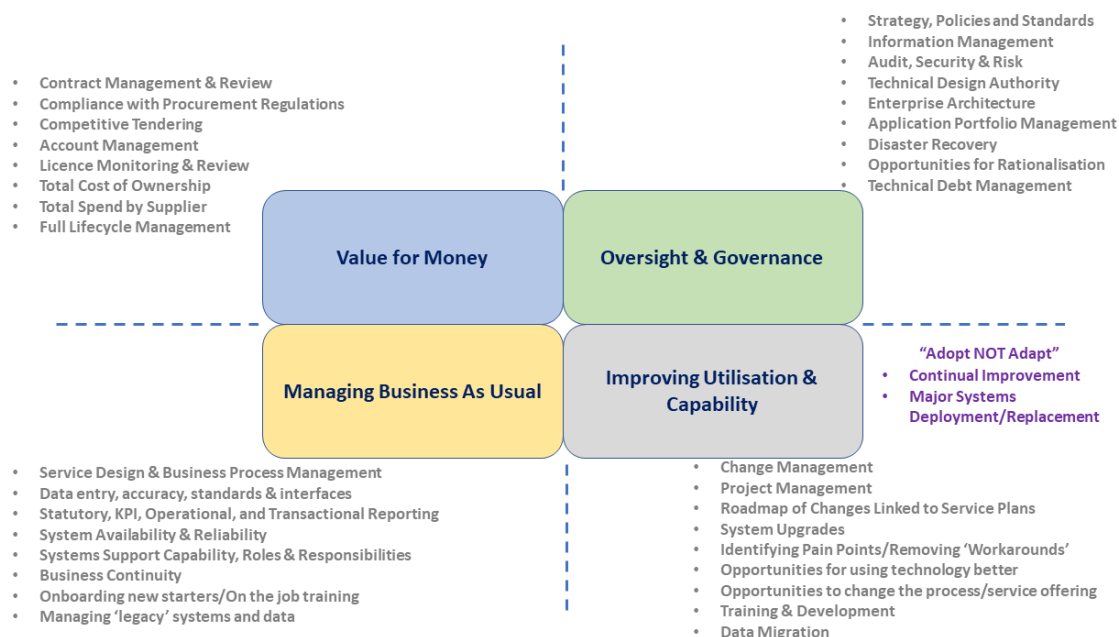


Figure 2 - Four Building Block Framework for Assuring Investment in Systems and Technology

5.8 Where the improvement is only possible through replacing legacy technologies, this category also encompasses the effective implementation of new solutions. In this situation a key lesson learned from organisations across both Public and Private sectors is the need to ‘adopt rather than adapt’ these solutions to avoid unnecessary customisation and the resultant investment overruns to deploy and operate.

6 WORK UNDERWAY

6.1 The independent Rapid Review assessment which followed the council’s initial section 141 notice highlighted several improvements around governance and amongst other things saw the introduction of various Internal Control Boards (ICB). The Information Management ICB focuses on ensuring appropriate assurance around the use and storage of personal and sensitive data used across the organisation, and the Digital Internal Control Board (DICB) focuses on strategic topics around the oversight and management of systems and technology.

6.2 Since its inaugural meeting on 23rd June 2022, the Digital ICB has regularly discussed matters of systems governance, recognises the need for greater consistency across the organisation in this area, and has championed the initiatives already underway.

6.3 A brief review of the key activities for each of the four building blocks from *Figure 2* to evidence the work underway is provided in the following points of this section.

6.4 Value for Money

6.5 Procurement governance linked to Council's Tenders and Contracts Regulations as per Part 4I of the Constitution are well established. A contracts register is actively

managed. Initiatives to review and improve the consistency and capability of contract management (especially the Platinum and Gold contracts) is being led by the corporate procurement team.

- 6.6 The Croydon Digital Service (CDS) commercial team have oversight of a sub-set of the contracts register focusing on systems and infrastructure contracts. There are regular reviews between CDS and procurement to ensure information is as accurate as possible.
- 6.7 Part of DICB’s remit is to have oversight of the total council spending on IT systems and services. Work is progressing to define the elements of expenditure and how such items are coded so it can be reported upon. Many but not all IT-related contracts are funded from central budgets managed within CDS. Services may also use local budgets to fund smaller systems and pay for consultancy and other professional services.
- 6.8 The cost of a system is often based on the number of users, and for larger systems there may also be features or modules which have additional licence requirements. Monitoring licence usage is informal and ad-hoc and varies by system. CDS Commercial team undertake periodic reviews for the contracts they oversee. The Oracle (My Resources) support team review usage quarterly due to the complexities of the licensing model.
- 6.9 Total spend on technology isn’t only about the in-year cost, but consideration also needs to be given to total cost over the life of the asset. This is a complex area, and a paper currently being drafted for DICB identifies the following lifecycle stages:

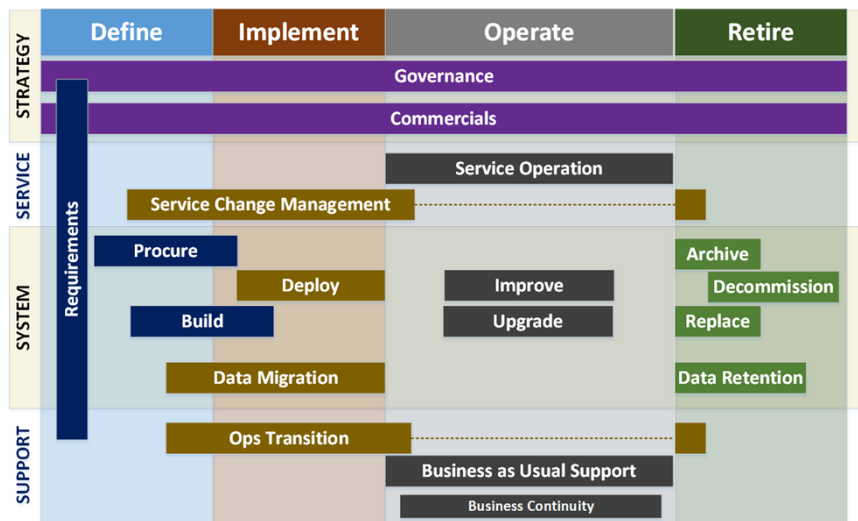


Figure 1 - Draft Technology Lifecycle Model

6.10 Oversight and Governance

- 6.11 Since its creation in June 2022, DICB has critically questioned what Croydon needed to have effective oversight of its systems and technology. Proposals for implementing a clearer structure for governing core applications was agreed by DICB and ratified by CMT on 23rd November 2022. The key elements of this structure are summarised below:

6.12 The use and support of systems is complex. Analysis into how the core business applications is used and supported for the initial papers for DICB found that CDS only support 45% of core systems. This means over half of systems are supported by the services themselves. This highlighted the need for agreeing how systems should be governed and supported in a more consistent manner. The application landscape diagram shown in *Figure 1* was developed to help define what was being used where.

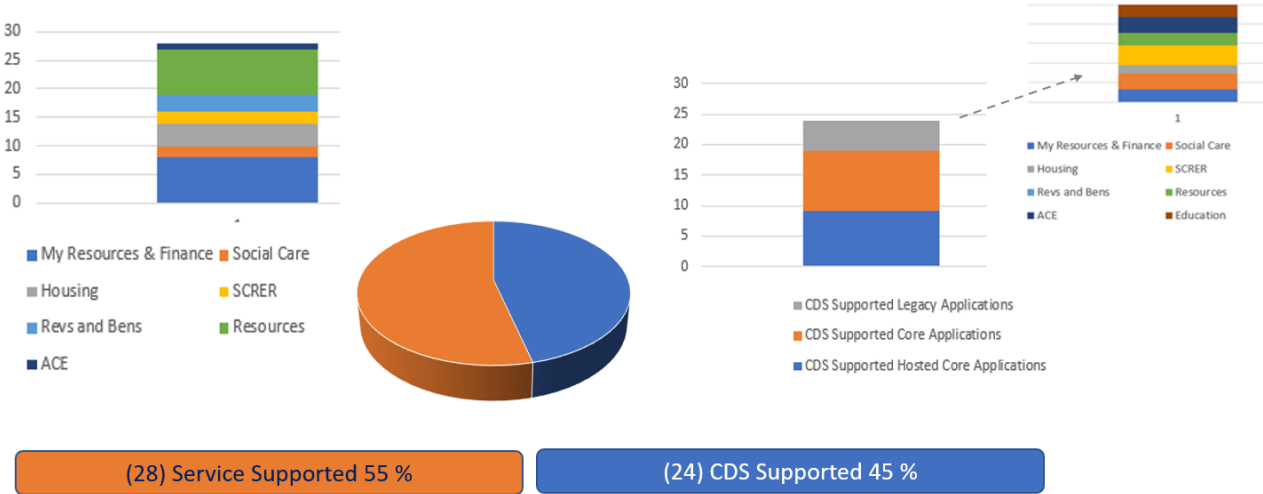


Figure 2 - Breakdown of Support Provision for Core Applications (Jun 22)

6.13 With over fifty applications in use, many managed outside of IT, there needed to be a pragmatic way of representing the 'health' of each core application. The concept of a *systems' dashboard* (see prototype below¹) was agreed at DICB. Each application is shown as a row on the dashboard. There are ten categories to gauge the 'health' of the application, each with a RAG status. These ten categories cover key elements of all four building blocks referenced in *Figure 2*. A template has been created to capture the assessment and is ready to be shared with directorates for completion.

¹ Note this prototype is a 'mock up' of what the dashboard could look like. It is not based on any formal assessment and the use of Red, Amber, or Green is only to illustrate how the dashboard could be used to highlight areas of concern.

System	Criticality	Availability	Complexity	Reliability	Capability	Governance	Roadmap	Support Capability	Support Sustainability	Relationship	Procurement
Housing: Northgate Housing or Enterprise	C1	4	3	4	4	4	4	4	4	4	4
Housing: OHMS	C1	4	3	4	4	4	4	4	4	4	4
Home Connections (Choice-based lettings portal)	C3	4	3	4	4	4	4	4	n/a	4	4
Apex	C2	4	3	4	4	4	4	4	4	4	4
Caseworks ?	C2	4	3	4	4	4	4	4	4	4	4
CPD Soft (Homeless Case Mgmt)	C3	4	3	4	4	4	4	4	4	4	4
Capita One EMS (Education Mgt Sys)	C1	4	3	4	4	4	4	4	4	4	4
Synergy EMS	C1	4	3	4	4	4	4	4	4	4	4
Career Vision (Education Synergy Core +Youth Justice)	C2	4	3	4	4	4	4	4	4	4	4
Idox - Uniform	C1	4	3	4	4	4	4	4	4	4	4
Uniform core	C1	4	3	4	4	4	4	4	4	4	4
IDox (Document Management System for Uniform)	C1	4	3	4	4	4	4	4	4	4	4
Planning Portal – (Uniform Public Access)	C1	4	3	4	4	4	4	4	4	4	4
GIS (eSpatial)	C1	4	3	4	4	4	4	4	4	4	4
AutbCad	C3	4	3	4	4	4	4	4	4	4	4
Corfirm (Pitney Bowes)	C1	4	3	4	4	4	4	4	4	4	4
Unit-E CALAT	C1	4	3	4	4	4	4	4	4	4	4
Acolaid	C3	4	3	4	4	4	4	4	4	4	4
ROCC (UES)	C3	4	3	4	4	4	4	4	4	4	4
Symology	X	4	3	4	4	4	4	4	4	4	4
Ebase (reform platform)	C1	4	3	4	4	4	4	4	4	4	4
Netcall (lo-code platform)	C1	4	3	4	4	4	4	4	4	4	4
SharePoint (Service)	C1	4	3	4	4	4	4	4	4	4	4
Power BI	C2	4	3	4	4	4	4	4	4	4	4
LLPG (Aligned Assets)	C1	4	3	4	4	4	4	4	4	4	4
MS Land Charges	C1	4	3	4	4	4	4	4	4	4	4
Northgate Rev & Bens (iWorld, iclipse)	C1	4	3	4	4	4	4	4	4	4	4
Legal Case Management	C1	4	3	4	4	4	4	4	4	4	4
Visual Files	C1	4	3	4	4	4	4	4	4	4	4
Court Bundling	C1	4	3	4	4	4	4	4	4	4	4
Xpress Electoral Register	C1	4	3	4	4	4	4	4	4	4	4
EPiLOG	C1	4	3	4	4	4	4	4	4	4	4
Visual Cron	C1	4	3	4	4	4	4	4	4	4	4
ServiceNow	C2	4	3	4	4	4	4	4	4	4	4

Figure 5 - Proposed Core Application Dashboard (see footnote¹)

6.14 Additionally, the following principles were agreed as the minimum standard to which all core applications should be managed. The dashboard assessment (above) includes the baselining of the current attainment against this standard to then be able to target areas for improvement.

Principles (proposed)

1. Every critical IT system should have a *system owner* at Head of Service level or above.
2. Every critical IT system should have robust and transparent governance arrangements, comprising:
 - a. Regular, formal meetings, appropriate to the nature and use of the system.
 - b. A set of common documentation *artefacts* that are kept current and accessible to all users and stakeholders.
 - c. Participation from the supplier of the system.
 - d. Engagement with users of the system.
3. Governance framework applies to all critical IT systems not just those supported by CDS and is appropriately resourced so that governance activities are not seen as optional.
4. The Digital ICB (or equivalent) has responsibility for monitoring the efficacy of critical IT systems governance arrangements.
5. All critical IT systems must follow agreed, *ITIL*-based, system *change management* processes for all upgrades and any event which may cause the system to be unavailable.

Artefacts

Each *system* should have common set of documentation that is maintained, current and available for inspection. This core set of artefacts should include:

- *Terms of Reference* – defines how governance arrangements are managed for that system.
- *Minutes* of governance meeting.
- *Systems Issue Log* – A generic term to recognise the importance of having a formal list of pain points and known issues.
- *Systems Roadmap* – To be able to effectively plan resources and govern the system, it's important to have a rolling twelve- to eighteen-month forward plan (or roadmap) of the key parts of the system and any LBC infrastructure needed for it to operate.
- *Systems Backlog* – This is really a subset of the process to create the roadmap. As resources are tight (financial and people) the backlog is the list of non-business-as-usual upgrades that are needed to keep the system current and secure, or enhancements requested by the service to improve utility of the system. The items on the backlog can be discussed and prioritised, before they are added to the roadmap.
- *Systems Diagram(s)* – Although slightly more technical in nature, each system is likely to need several 'pictures' of how the system operates within the context of Croydon's architecture and other systems.

Figure 6 - Agreed Principles for the Governance of Core Applications

6.15 A new central repository in SharePoint has been developed to hold the artefacts defined above. Work is progressing with the Information Management team to store all current Data Protection Impact Assessments (DPIA) for systems in this repository so they can more easily be referenced.

6.16 Strategy is shown at the top of the list of activities core to the governance building block of *Figure 2*. There is a need to review and refresh the core digital, data and technology strategies as the current documents were created before lock-down and the financial difficulties so need to reflect the council's changed priorities.

6.17 Managing Business as Usual

- 6.18** Technology is at the centre of everything we do. Every service today is in-part a technology business irrespective of the service they deliver. The challenge (globally and not just for Croydon) is ensuring managers and officers are aware of what this means. The activities listed under this category in *Figure 2* outline the key touch points between the delivery of the service and the technology which enables and supports it.
- 6.19** The immediate need, especially considering 55% of core applications are primarily supported within the service area that uses them (*Figure 4* above), is to focus on the System Support Capability. DICB has agreed there is a need for a consistent model for operating and supporting (core) systems across the organisation published and understood with clear roles and responsibilities.
- 6.20** This model is referred to as the *Systems Support Framework*. The work to develop this framework is based on two internationally recognised best practice models: *IT Service Management (ITSM)* considers the end-to-end operation of the IT function as a service, and, *Enterprise Architecture (EA)* attempts to consider the organisation as a whole and how the different technical and business building blocks need to be combined to sustain its current operating model, plus the ongoing improvement and development of these building blocks to support transformation to a future state operational model.
- 6.21** The Open Group Architectural Framework (*TOGAF*) is regarded as the most widely adopted EA framework internationally. TOGAF have developed a 'domain model' to help represent the different layers that need to be considered when operating technology. *Figure 7* uses this domain model to illustrate the broad demarcation of accountability for these layers between the service and the technology support function. The 'red line' represents a target point of consistency of accountability across the organisation. The 'grey lines' show the current position with most core applications not having this clarity.

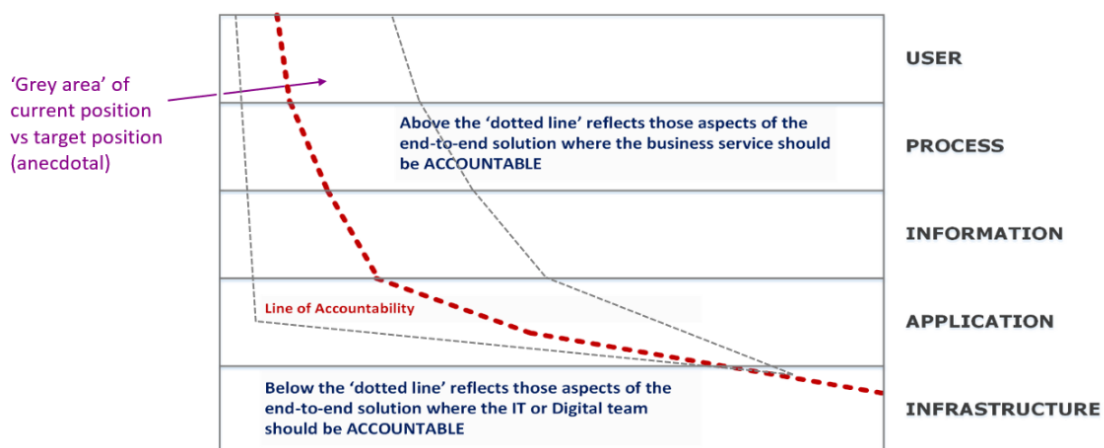


Figure 7 - Broad Demarcation of Accountability between Service and IT for each Domain

- 6.22** In broad terms, the Service is responsible for defining the service it wants to offer and is accountable for all processes, data and systems needed to deliver it. IT has a supporting role in making that happen. The IT function is accountable for

understanding the strategic and operational requirements of the council and translating those into technical infrastructure solutions that are fit for purpose, whilst at the same time defining standards to maintain security, resilience, and the inter-operability of systems and exchange of data, minimising duplication of functions and the re-keying of data.

- 6.23** Although the previous paragraph provides a high-level statement of intent, there are multiple stakeholders involved in all 'layers' of the model and as with most things, the devil is in the detail. There is a considerable amount of work to develop this *Systems Support Framework* into the appropriate level of detail, not forgetting the wider engagement and education needed to upskill those managers and officers relying on technology to deliver their service to embrace it.
- 6.24** **Three Potential *Warning Signs* of a System Not Fully Functioning Effectively**
- 6.25** Before moving onto *Improving the Utilisation and Capability* category, it is worth highlighting the following three warning signs that may be present in the business-as-usual operation of a system that could be a symptom of not fully leveraging the capabilities of it. These 'pain points' are key things to look out for and track and should feed into the continual improvement roadmap for each system.
- 6.26** **Cost of poor data quality and rework** – Data is a cornerstone of every service. It is vital data is entered and maintained accurately. It is everyone's responsibility to take care when working with data to ensure compliance with data protection laws and internal standards. However, it is common for support teams to have to resolve issues caused by incorrectly entered data, remove duplicates, and troubleshoot information on reports and KPIs caused by inaccurate data. This is an unnecessary overhead cost of operation.
- 6.27** **Workarounds** – When a system is deployed there will be constraints on how it can be used. Sometimes these constraints result in the creative adoption of off-system processes, and commonly rely on spreadsheets or other tools to manage. Workarounds like this need to be formally logged so they are recognised for what they are: at best an overhead cost to the service, at worst a risk which could affect service resilience and problems resulting from key data not being accessible from a trusted and secure source.
- 6.28** **Onboarding & Training** – A key driver for the efficient and effective utilisation of a system is having users proficient in its operation. Too often when there are financial challenges, training is one of the first areas considered for making savings – this is often a false economy! Initial and ongoing training and monitoring, linked to current service operations procedural documents, is the best way to ensure data and process standards are shared and the system is used in a consistent manner.
- 6.29** **Improving Utilisation and Capability**
- 6.30** This final building block from *Figure 2* primarily covers activities to continually review and improve the way the system functions, ensures the system components are

maintained so they are supported and secure, and assesses how well users of the system have adopted it, so it is both effective and efficient.

- 6.31** Depending on the system, there are usually at least one, and sometimes up to four upgrades each year. These need engagement from technical and business stakeholders to review the scope of the change and to identify whether any bug fixes or functional enhancements need to be incorporated into existing processes.
- 6.32** Cuts in funding and resource often mean any significant change required to deploy these potential improvements over and above the basic upgrade and testing work requires separate justification and funding.
- 6.33** *Figure 6* (above) references the roadmap and the backlog as being two key artefacts which should be maintained for all systems. The backlog enables a list of opportunities to be captured and prioritised – this should link to the appropriate service plan and incorporate known upgrades, initiatives to review/remove identified pain points, and improvements to service delivery. The roadmap then presents a timeline view of the work so funding can be secured, and resources made available at the right time to support the changes. There is work needed to embed this approach as the current default tends to be reactive.
- 6.34** The review and prioritisation of initiatives on the work plan backlog also need to embrace robust challenge. Recent lessons learned from other Authorities (most notably Birmingham) where systems are configured to bespoke them to fit ‘the way things have always been done’ rather than deploying the system as vanilla as possible has been seen to result in (significant) cost overruns. This highlights the need for strong leadership in enforcing the ‘adopt not adapt’ design principle.
- 6.35** Making changes to systems and monitoring adoption requires competence in project and change management. Reviewing the maturity of project and change management capability will be part of new target operating model work being led through Transformation.
- 6.36** Finally, in addition to major systems projects having their own project governance arrangements, DICB has acted as a critical friend, including regular progress updates, escalations to CMT where necessary, and having oversight of and participating in lessons learned reviews.

7 ASSESSMENT SUMMARY AND PRIORITISATION OF NEXT STEPS

- 7.1** The above assessment highlights the complex nature of the many activities required for Croydon to understand and manage its core business applications and provide sufficient confidence that these assets are being fully utilised.
- 7.2** There isn’t a single person accountable for this work; neither is it the sole domain of the IT function; instead, there is an intricate web of activities and responsibilities between IT, each service, service delivery partners, and other specialists across the council.

- 7.3 DICB has been key to supporting several initiatives to review and develop a foundation upon which further work can be built. This governance will continue to be a key role in maintaining momentum to build on the work already started.
- 7.4 Despite this support and encouragement, progress to date has relied upon individuals finding time to meet, discuss, develop and review material on a reasonable endeavours basis. With operational pressures and resource constraints, progress hasn't been as rapid as would have been liked.
- 7.5 Without dedicated resources it is unrealistic to be too prescriptive about what will be achieved by when. Instead, the following work plan is shared to represent the pragmatic commitment to continue the work already started and show the relative priority these next actions have.
- 7.6 Progress against this work plan will be monitored through quarterly updates at DICB. It is also recommended that updates on progress on this topic are reported annually into the Audit and Governance Committee.

8 THE 2024/25 WORK PLAN

8.1 Focus for Q1 and Q2

- 8.2 *Systems Dashboard (Figure 5)* – CDS to liaise with each directorate to complete the checklists. Then compile and publish the dashboard.
- 8.3 *Systems Support Framework* – continue work clarifying accountability and defining roles and responsibilities for support activities through existing DICB sub-group.
- 8.4 Consider the '*three warning signs*' outlined at Appendix B and what could be done to capture information to better manage the risks these warning signs may pose.
- 8.5 Progress the initiative with the Information Management team to store all current DPIAs for systems in the (new) IT Systems Governance SharePoint repository.

8.6 Focus for Q3 and Q4

- 8.7 *Systems Support Framework* – continue work in progress. The expected restructure of CDS will help define and challenge the detail.
- 8.8 *IT expenditure monitoring* – continue reviewing how spend on IT is tracked and reported upon. Where budgets are held centrally, consider how to ensure services are still accountable for their use of the systems they rely upon.
- 8.9 *Systems Dashboard* - DICB to agree focus areas based on RAG status shown on initial dashboard.
- 8.10 *Technology Lifecycle (Figure 3)* – review how this model can be used to better understand the total cost of ownership. Consider how to capture actual costs of each stage of the lifecycle to better inform how business cases and other decisions are taken.

8.11 Other Parallel Activities

- 8.12 Review and refresh the core digital, data and technology strategy to reflect the council's changing priorities.
- 8.13 Review the maturity of project and change management capability as part of new target operating model work being led through Transformation.

9 CONSULTATION

- 9.1** This report provides an update on the work being undertaken to develop and support governance and assurance activities for ensuring core business applications achieve best value and utilisation. There is no requirement for Member or Public consultation.
- 9.2** The findings and recommendations proposed in this report are part of the ongoing work programme reporting into the Digital Internal Control Board, which has cross-directorate membership.

10. CONTRIBUTION TO COUNCIL PRIORITIES

- 10.1** The scope of this report encompasses all core business applications so touches on every service the council delivers. It's focus on assuring best value and utilisation of these assets means it is part of the Mayor's priority to *ensure good governance is embedded and adopt best practice*.

11. IMPLICATIONS

11.1 FINANCIAL IMPLICATIONS

11.1.1 This report provides an update on the work being undertaken within existing resource and funding constraints to develop and support governance and assurance activities for ensuring core business applications achieve best value and utilisation. There are no additional revenue financial implications resulting from this report.

11.1.2 Comments approved by Lesley Shields, Head of Finance for Assistant Chief Executive and Resources on behalf of the Director of Finance. 23/02/2024

11.2 LEGAL IMPLICATIONS

11.2.1 Under Section 3(1) of the Local Government Act 1999 ("the 1999 Act"), the Council, as a best value authority, must make arrangements to secure continuous improvements in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness. This includes how its services are delivered via and supported by digital and other means.

11.2.2 Under Section 15 of the 1999 Act, the Secretary of State has the powers to intervene if satisfied that the Council is failing to meet its best value duty. This includes the power to issue directions that the function of the authority be exercised by the Secretary of State, or a person nominated by him for a specified period.

11.2.3 On 20th July 2023, the Secretary of State for Levelling Up, Housing and Communities (“the SoS”) issued Directions under Section 15(5) of the 1999 Act to the Council on the basis that the Council was failing to comply with its Best Value Duty setting out actions to be taken by the Council to comply the duty. The SoS Directions require the Council to, amongst other things, continue to address the culture of poor financial management at the Authority and to continue to restore public trust and confidence in the Authority by transforming the Authority’s activities, practices, and omissions to ensure that they are compatible with the best value duty. In addition, the council is required to secure as soon as practicable that all the Authority’s functions are exercised in conformity with the best value duty thereby delivering improvements in services and outcomes for the people of Croydon.

11.2.4 If any changes, terminations or other amendments are required to any existing agreements or contracts in place pertaining to digital services, business systems and/or software the council utilises or owns as a result of proposals in this report these will need to be subject to specific legal advice and may need to be separately negotiated or be subject to relevant contractual change control processes. Any new systems, software or services may be subject to procurement requirements and the parameters set out in the Council’s Tender and Contract Regulations, Part 4I of the Constitution. Officers involved in any such projects or proposals will need to obtain separate legal advice as to implications before proceeding.

11.2.5 Comments approved by the Head of Litigation and Corporate Law on behalf of the Director of Legal Services and Monitoring Officer. (Date 01/03/24)

11.3 EQUALITIES IMPLICATIONS

11.3.1 Under the Public Sector Equality Duty of the Equality Act 2010, decision makers must evidence consideration of any potential impacts of proposals on groups who share the 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.

11.3.2 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.

11.3.3 By law, assessments must contain sufficient information to enable the local authority to show it has paid ‘due regard’ to the equality’s 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.

11.3.4 This report provides an update on the work being undertaken within existing governance arrangements. Based on the findings and recommendations proposed in this report there are *no changes* to any systems or processes, therefore no direct impact on equalities for protected characteristic groups have been identified.

11.3.5 Comments approved by: Felisha Dussard 28//02/2024

11.4 ICT IMPLICATIONS

11.4.1 This report provides an update on the work being undertaken to develop and improve governance around core IT systems. There are no additional ICT implications resulting from this report since the foundations described are based on internationally recognised models of IT best practice which supports the direction of travel of the Croydon Digital Service.

11.4.2 Comments approved by: Paul Golland, Interim Chief Digital Officer, and Director Resident Access. (Date 01/03/24)

12. BACKGROUND DOCUMENTS

12.1 None

13. URGENCY

13.1 None.

LONDON BOROUGH OF CROYDON

REPORT:	Audit and Governance Committee	
DATE OF DECISION	14 March 2024	
REPORT TITLE:	Internal Audit Charter, Strategy and Plan	
CORPORATE DIRECTOR / DIRECTOR:	Jane West, Corporate Director of Resources and S151 Officer	
LEAD OFFICER:	Dave Phillips, Head of Internal Audit Dave.Phillips@croydon.gov.uk	
LEAD MEMBER:	Cllr Jason Cummings	
KEY DECISION? [Insert Ref. Number if a Key Decision]	No	REASON: N/a
CONTAINS EXEMPT INFORMATION?	No	Public
WARDS AFFECTED:	N/a	

1. SUMMARY OF REPORT

- 1.1 This report is for the Audit and Governance Committee to review and approve the Internal Audit Charter and the plan of audit work for 2024/25 in line with the requirements of the Public Sector Internal Audit Standards.

2. RECOMMENDATION

- 2.1 The Audit and Governance Committee is asked to approve the Internal Audit Charter (Appendix 1), Strategy (Appendix 2) and the plan of audit work for 2024/25 (Appendix 3).

3. REASONS FOR RECOMMENDATION

- 3.1 In line with the Public Sector Internal Audit Standards, the Head of Internal Audit must communicate the internal audit activity's plans and resource requirements, including significant interim changes, to senior management and the Audit and Governance Committee for review and approval.

3.2 The Public Sector Internal Audit Standards also require the Head of Internal Audit to report periodically to senior management and the Audit and Governance Committee on the internal audit activity's purpose, authority and responsibility.

4. BACKGROUND AND DETAILS

4.1 In England, specific requirements are detailed in the Accounts and Audit Regulations 2015, in that a relevant body must “undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance.”

4.2 The UK Public Sector Internal Audit Standards which apply to local and central government, the NHS and the three devolved governments came into force from 1st April 2013 and were further revised in 2016 and 2017. Compliance with these satisfies the requirements of the Accounts and Audit Regulations.

4.3 To help with the Council's compliance with these standards the Council's internal audit charter (appendix 1) and strategy (appendix 2) have been reviewed and are attached for approval. These will be reviewed and brought back for approval each year to ensure that these remain up to date and relevant. Also attached for approval is the work plan for internal audit for 2024/25 (appendix 3).

4.4 The work plan for 2024/25 follows a similar format to previous years and its make-up is as set out in the audit strategy. It aims to maximise the value from the internal audit resource available and to provide sufficient evidence to enable the Head of Internal Audit to give an opinion on the effectiveness of its risk management, control and governance processes.

4.5 The Council's Corporate Management Team has reviewed and supports the work plan.

4.6 FINANCE IMPLICATIONS

4.6.1 The fixed price for the Internal Audit Contract is £0.365m for 2024/25 and there is adequate provision within the budget to cover this cost. The breakdown of the various audits, as advised within Appendix C, along with their daily charge out rates is indicated within the table below. There are no additional financial considerations relating to this report.

Daily Charge Rate Type	Charge Rate	Total Cost
Total Key Financials Audits	£422	£ 44,310
Total Corporate Risk Audits	£422	£ 45,998
Total Departmental Risk Register Audits	£422	£ 175,974

Total Computer Audits	£603	£ 27,135
Total Contract Audits	£513	£ 11,286
Total Schools Audits	£422	£ 30,384
Total Contingency	£422	£ 10,550
Total Admin and Management	£422	£ 15,192
Grand Total		£ 360,829

4.6.2 Internal audit plays a key role aiding the improvement of internal controls of the organisation and ensuring Council’s resources are managed well. Internal Audit’s planning methodology is based on risk assessments that include using the Council risk register processes.

4.6.3 Comments approved by Lesley Shields, Head of Corporate Finance. (Date: 28/02/2025).

4.7 LEGAL IMPLICATIONS

4.7.1 The Head of Litigation and Corporate Law comments on behalf of the Director of Law and Governance that information provided in this report is necessary to demonstrate the Council’s compliance with requirements imposed by Regulation 5 of the Accounts and Audit Regulations 2015. The Council is required to undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance.

4.7.2 Under its terms of reference, Audit and Governance Committee is “to oversee internal and external audit, helping to ensure that efficient and effective assurance arrangements are in place” and “to review (but not direct) internal audit’s risk-based strategy, plan and resource requirements”.

4.7.3 Comments approved by Sandra Herbert, the Head of Litigation & Corporate Law on behalf of the Director of Legal Services and Monitoring Officer. (Date 28/02/2024)

4.8 HUMAN RESOURCES IMPLICATIONS

4.8.1 There are no immediate HR impacts arising from this report for Council employees or staff. Should any matters arise, this will be managed in accordance with the Council’s HR policies and procedures.

4.8.2 Comments approved by Gillian Bevan, Head of HR Resources and Assistant Chief Executives on behalf of the Chief People Officer (20/02/2024)

4.9 EQUALITIES IMPLICATIONS

4.9.1 The Council is required to comply with the Public Sector Equality Duty [PSED], as set out in the Equality Act 2010. The PSED requires the Council to have due regard to the need to eliminate discrimination, advance equality of opportunity and foster good relations between different people when carrying out their activities.

4.9.2 The impact on the Council's equality duty should be considered when Internal Audit is developing its Annual Audit Plan or individual audit programmes. Any issues arising should be reflected in the Committee's reports and recommendations.

4.9.3 Comments approved by Helen Reeves, Head of Strategy and Policy, 19/02/2024.

5. APPENDICES

5.1 Appendix 1 – Internal Audit Charter

5.2 Appendix 2 – Internal Audit Strategy

5.3 Appendix 3 - The Plan of Internal Audit Work for 2024/25

6. BACKGROUND DOCUMENTS

6.1 None

7. URGENCY

7.1 There is none.

Internal Audit Charter

This Charter sets out the purpose, authority and responsibility of the Council’s Internal Audit function, in accordance with the mandatory UK Public Sector Internal Audit Standards.

The Charter will be reviewed annually and presented to the General Purposes & Audit Committee for approval.

Purpose

The Institute of Internal Auditors’ International Professional Practices Framework (IPPF) defines internal audit as *‘an independent, objective assurance and consulting activity designed to add value and improve an organisation’s operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.’*

In a local authority internal audit provides independent and objective assurance to the organisation, its Members, the Corporate Management Team (CMT)¹ and in particular to the Chief Financial Officer to help with discharging their responsibilities under S151 of the Local Government Act 1972, relating to the proper administration of the Council’s financial affairs.

In addition, the Accounts and Audit Regulations (2015) specifically require the provision of an internal audit service. In line with the regulations, Internal Audit provides independent assurance on the adequacy of the Council’s risk management, control and governance processes.

The Institute of Internal Auditors (IIA) defines assurance as *‘services that involve the internal auditor’s objective assessment of evidence to provide opinions or conclusions regarding an entity, operation, function, process, system, or other subject matters. The nature and scope of an assurance engagement are determined by the internal auditor.’*

Mission and Core Principles

The IPPF’s overarching ‘Mission’ for Internal Audit services is: *‘...to enhance and protect organisational value by providing risk-based and objective assurance, advice and insight.’*

The ‘Core Principles’ that underpin delivery of the IPPF mission require internal audit functions to:

- Demonstrate integrity;
- Be objective and free from undue influence (independent);

¹ Fulfil the role of senior management - Public Sector Internal Audit Standards

- Align with the strategies, objectives and risks of the organisation;
- Be appropriately positioned and adequately resourced;
- Demonstrate quality and continuous improvement;
- Communicate effectively;
- Provide risk-based assurance;
- Be insightful, proactive, and future-focused; and
- Promote organisational improvement.

Authority

The Internal Audit function has unrestricted access to all Council records and information, both manual and computerised, cash, stores and other Council property or assets it considers necessary to fulfil its responsibilities. Internal audit may enter Council property and has unrestricted access to all locations and officers where necessary on demand and without prior notice. Right of access to other bodies funded by the Council should be set out in the conditions of funding.

The Internal Audit function will consider all requests from the external auditors for access to any information, files or working papers obtained or prepared during audit work that has been finalised, which External Audit would need to discharge its responsibilities.

Responsibility

The Council's Head of Internal Audit², is required to provide an annual opinion to the Council and to the Chief Financial Officer, through the Audit and Governance Committee³ (AGC), on the adequacy and the effectiveness of the internal control system for the whole Council. In order to achieve this, the Internal Audit function has the following objectives:

- To provide a quality, independent and objective audit service that effectively meets the Council's needs, adds value, improves operations and helps protect public resources
- To provide assurance to management that the Council's operations are being conducted in accordance with external regulations, legislation, internal policies and procedures.
- To provide a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, internal control and governance processes
- To provide assurance that significant risks to the Council's objectives are being managed. This is achieved by annually assessing the adequacy and effectiveness of the risk management process.

² Fulfils the role of the Chief Audit Executive – Public Sector Internal Audit Standards

³ Fulfils the role of the board – Public Sector Internal Audit Standards

- To provide advice and support to management to enable an effective control environment to be maintained

Even sound systems of internal control can only provide reasonable and not absolute assurance and may not be proof against collusive fraud. Internal audit procedures are designed to focus on areas identified by the organisation as being of greatest risk and significance and rely on management to provide full access to accounting records and transactions for the purposes of audit work and to ensure the authenticity of these documents.

The remit of Internal Audit covers the entire control environment of the organisation. Where appropriate, Internal Audit will undertake audit or consulting work for the benefit of the Council in organisations in which it has a significant controlling interest, such as Local Authority Trading Companies. Internal Audit may also provide assurance to the Council on third party operations (such as contractors and partners) where this has been provided for as part of the contract.

Internal Audit may undertake consulting activities. The Institute of Internal Auditors (IIA) defines consulting as *'Advisory and related client service activities, the nature and scope of which are agreed with the client, are intended to add value and improve an organisation's governance, risk management and control processes without the internal auditor assuming management responsibility. Examples include counsel, advice, facilitation and training.'*

Reporting

The UK Public Sector Internal Audit Standards require the Head of Internal Audit to report at the top of the organisation and this is done in the following ways:

- The Internal Audit Strategy and Charter and any amendments to them are reported to the Corporate Management Team (CMT) directly and then presented to the AGC for formal approval annually.
- The annual Internal Audit Plan is compiled by the Head of Internal Audit taking account of the Council's risk framework and after input from members of CMT and other senior officers. It is then presented to CMT and AGC annually for noting and comment.
- The internal audit budget is reported to Cabinet and Full Council for approval annually as part of the overall Council budget.
- The adequacy, or otherwise, of the level of internal audit resources (as determined by the Head of Internal Audit) and the independence of internal audit will be reported annually to the AGC. The approach to providing resource is set out in the Internal Audit Strategy.

- Performance against the Internal Audit Plan and any significant risk exposures and control issues arising from audit work are reported to the Corporate Management Team (CMT) and the AGC on a quarterly basis.
- Any significant consulting activity not already included in the audit plan and which might affect the level of assurance work undertaken will be reported to the AGC.
- Results from internal audit's Quality Assurance and Improvement Programme will be reported to AGC.
- The appointment or removal of the Head of Internal Audit must be reported to and approved by CMT.
- Any instances of non-compliance with the Public Sector Internal Audit Standards must be reported to the CMT and the AGC and will be included in the Head of Internal Audit's annual report. If there is significant non-conformance this may be included in the Council's Annual Governance Statement.

Independence

The Head of Internal Audit has free and unfettered access to the following:

- Chief Financial Officer
- Chief Executive
- Chair of the AGC
- Monitoring Officer
- Any other member of the CMT.

The Head of Internal Audit is line managed by the Chief Financial Officer. Independence is further safeguarded by ensuring that their annual appraisal is not inappropriately influenced by those subject to audit. This is achieved by ensuring that the Chair of the AGC contributes to, and/or reviews the appraisal of the Head of Internal Audit.

All Council and contractor staff in the Internal Audit Service are required to make an annual declaration of interest to ensure that auditors' objectivity is not impaired and that any potential conflicts of interest are appropriately managed. Auditors are also frequently rotated to prevent over-familiarity or complacency which could influence objectivity.

In addition, both the Council and the audit contractor have stringent procedures in place relating to the acceptance of gifts and hospitality and the prevention of bribery.

To maintain independence, any audit staff involved in significant consulting activity will not be involved in the audit of that area for at least 12 months. Nor will any member of audit staff be involved in any audit work for any area in which they have had operational responsibility within the past 12 months.

The Head of Internal Audit has no additional Council responsibilities in addition to internal audit thereby ensuring the absence of any conflicts of interest.

Due Professional Care

The Internal Audit function is bound by the following standards:

- Institute of Internal Auditor's International Code of Ethics;
- Seven Principles of Public Life (Nolan Principles);
- UK Public Sector Internal Audit Standards (2017);
- The CIPFA Local Government Application Note (LGAN);
- The codes of ethics for any professional body that internal auditors are members of;
- All Council Policies and Procedures
- All relevant legislation

Internal Audit is subject to a Quality Assurance and Improvement Programme that covers all aspects of internal audit activity. This consists of an annual self-assessment of the service and its compliance with the UK Public Sector Internal Audit Standards, ongoing performance monitoring and an external assessment at least once every five years by a suitably qualified, independent assessor.

A programme of Continuous Professional Development (CPD) is maintained for all staff working on audit engagements to ensure that auditors maintain and enhance their knowledge, skills and audit competencies. The Head of Internal Audit is required to hold a professional qualification (CCAB or IIA) and be suitably experienced.

The Head of Internal Audit will ensure that the internal audit service has access to an appropriate range of knowledge, skills, personal attributes, qualifications, experience and competencies required to perform and deliver its responsibilities.

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Internal Audit Strategy

This Strategy sets out how the Council's Internal Audit service will be developed and delivered in accordance with the Internal Audit Charter.

The Strategy will be reviewed annually and presented to the Audit and Governance Committee for approval.

Internal Audit Objectives

Internal Audit will provide independent and objective assurance to the organisation, its Members, the Corporate Management Team (CMT)¹ and in particular to the Chief Financial Officer to support the discharging of their responsibilities under S151 of the Local Government Act 1972, relating to the proper administration of the Council's financial affairs.

It is the Council's intention to provide a best practice, cost effective internal audit service.

Internal Audit's Remit

The internal audit service is an assurance function that primarily provides an independent and objective opinion on the degree to which the internal control environment supports and promotes the achievement of the council's objectives.

Under the direction of a suitably qualified and experienced Head of Internal Audit² the service will:

- Provide management and Members with an independent, objective assurance and consulting activity designed to add value and improve the Council's operations.
- Assist the Audit and Governance Committee³ to reinforce the importance of effective corporate governance and ensure internal control improvements are delivered;
- Drive organisational change to improve processes and service performance;
- Work with other internal stakeholders and customers to review and recommend improvements to internal control and governance arrangements in accordance with regulatory and statutory requirements;

¹ Fulfil the role of senior management - Public Sector Internal Audit Standards

² Fulfils the role of the Chief Audit Executive – Public Sector Internal Audit Standards

³ Fulfils the role of the board – Public Sector Internal Audit Standards

- Work closely with other assurance providers to share information and provide a value for money assurance service, and
- Participate in local and national bodies and working groups to influence agendas and developments within the profession.

Internal Audit must ensure that it is not involved in the design, installation and operation of controls so as to compromise its independence and objectivity. Internal Audit will, however offer advice on the design of new internal controls in accordance with best practice.

Service Delivery

The Service will be delivered by the Council's strategic internal audit partner (currently Mazars) under the direction of the Council's Head of Internal Audit and supported by an in-house Governance Officer. This provides flexibility of resource and mitigates many of the risks associated with delivering a professional internal audit service.

To ensure that the benefits of the Internal Audit service are maximised and shared as best practice, Croydon has established the APEX Audit & Anti-Fraud Partnership to work with other local authorities. This includes appropriate: resource provision, joint working, audit management & strategy and a range of value added services.

Internal Audit Planning

Audit planning will be undertaken on an annual basis and audit coverage will be based on the following:

- Discussions with the Council's Corporate Management Team (CMT), Directors and other management;
- The Council's Risk Register;
- The Council's priorities and Corporate Plan;
- Outputs from other assurance providers (e.g. Ofsted or the External Auditor);
- Requirements as agreed in the joint working protocol with External Audit;
- Local and national issues and risks.

The Internal Audit Plan 2024-25 is composed of the following:

- **Risk Based Systems Audit:** Audits of systems, processes or tasks where the internal controls are identified, evaluated and confirmed through risk assessment process. The internal controls depending on the risk assessment are tested to confirm that they operating correctly. The selection of work in this category is driven by Departments' own risk

processes and will increasingly include work in areas where the Council services are delivered in partnership with other organisations.

Internal Audit planning is already significantly based on the Council's risk register and upon risks identified by management. Internal audit will continue to have a significant role in risk management with audit planning being focused by risk and the results of audit work feeding back into the risk management process to form a 'virtuous circle'.

- **Key Financial Systems:** Audits of the Council's key financial systems where External Audit requires annual assurance as part of their external audit work programme.
- **Probity Audit (schools & other establishments):** Audit of a discrete unit. Compliance with legislation, regulation, policies, procedures or best practice are confirmed. For schools this includes assessment against the Schools Financial Value Standard.
- **Computer Audit:** The review of Digital infrastructure and associated systems, software and hardware.
- **Contract Audit:** Audits of the Council's procedures and processes for the letting and monitoring of contracts, including reviews of completed and current contracts.
- **Action Plan Verification:** Testing of reported attainment of key actions or milestones in the various action plans developed to support council renewal.
- **Fraud and Ad Hoc Work:** A contingency of audit days are set aside to cover any fraud and irregularity investigations arising during the year and additional work due to changes or issues arising in-year.

The internal audit plan for 2024-25 covers a period of twelve months. However, Croydon Council and local government as a whole is being subjected to continuous change and financial pressures that may result in changed priorities during the course of the year. Where this happens the Head of Internal Audit may need to flex the internal audit plan; any proposed significant changes to the plan will be reported to the senior management and the Audit and Governance Committee.

Follow-up

Internal Audit will evaluate the Council's progress in implementing audit recommendations against set targets for implementation. Progress will be reported to management and to the Audit and Governance Committee on a regular basis.

Where progress is unsatisfactory or management fails to provide a satisfactory response to follow up requests, Internal Audit will implement the agreed escalation procedure.

Reporting

Internal audit reports the findings of its work in detail to local management at the conclusion of each piece of audit work and in summary to departmental and corporate management on a regular basis. Summary reports are also provided to the Audit and Governance Committee at least four times per year. This includes the Head of Internal Audit's annual report that contributes to the assurances underpinning the Annual Governance Statement of the Council.

2024/25 Annual Audit Plan	Dept	Check	Audit Days
KEY FINANCIAL SYSTEMS REVIEWS			
Council Tax	Resources	1	10
Parking: PCN processing	SCRER	1	15
Housing (NEC) Repairs and Payments	Resources	1	15
Adult Social Care Payments	Resources	1	10
Childrens Payments	Resources	1	10
Treasury	Resources	1	10
Pension Scheme Administration	Resources	1	10
Supplier Set Up and P2P compliance	Resources	1	15
Follow-up of audits			10
Total Key Financials Audits		8	105
CORPORATE RISK AUDITS			
Data Protection Act 2018 / UK GDPR: Central oversight	Corporate	1	15
Staff parking: BHW and Town Hall	Corporate	1	10
Transformation Funding - use of funds	Corporate	1	15
Risk management	Corporate	1	15
Restructure Compliance	Corporate	1	15
Performance Management	Corporate	1	15
Service Planning	Corporate	1	15
Follow up of audits			9
Total Corporate Risk Audits		7	109
DEPARTMENTAL RISK AUDITS			
Data Protection Act 2018 / UK GDPR: ACE	ACE	1	10
Cemeteries and Crematorium : Cash handling	ACE	1	10
Travel; Services - Freedom Passes	ACE	1	10
Brokerage - Sourcing	ASC	1	10
Data Protection Act 2018 / UK GDPR: ASC	ASC	1	10
Shared Lives - Carer recruitment, vetting and take on	ASC	1	10
Pathways	ASC	1	15
Waiting Lists	ASC	1	10
Virtual Wallet - Oversight and management of funds	ASC	1	10
Contract Management - Careuim	ASC	1	10
Mandatory Training - ACS	ASC	1	10
Child Protection - Case Conferences	CYPE	1	10
SWAN Contract	CYPE	1	10
Children leaving Care	CYPE	1	10
Data Protection Act 2018 / UK GDPR: CYPE Compliance	CYPE	1	10
Services to Schools: Governor Services	CYPE	1	10
Early Years - Take up of Places	CYPE	1	10
Staff Sickness Panel	Housing	1	10
Data Protection Act 2018 / UK GDPR: Housing	Housing	1	10
Housing repairs - In house Contact Centre	Housing	1	10
Tenancy Sign ups and New Tenancy Visits	Housing	1	15

2024/25 Annual Audit Plan	Dept	Check	Audit Days
Gas Safety	Housing	1	10
Tenancy - Arrears	Housing	1	10
EA/TA invoice Payments	Housing	1	10
Homelessness - Set up and closing of tenancies	Housing	1	10
Homeslessness - FTA	Housing	1	10
Housing Disrepair : Damp and Mould	Housing	1	10
Asbestos	Housing	1	10
Data Protection Act 2018 / UK GDPR: Resources Compliance	Resources	1	10
CIL/S106 - use of funds	SCRER	1	10
Contract Management - GLL	SCRER	1	10
Contract Management - FM Conways	SCRER	1	10
Dangerous Structures: Resilience and how we make good	SCRER	1	10
Data Protection Act 2018 / UK GDPR: SCRER	SCRER	1	10
SEN Transport - Travel Training	SCRER	1	10
Parking Permits on the Highway	SCRER	1	10
NR&SWA - Coring	SCRER	1	10
Follow up of audits			37
Total Departmental Risk Register Audits		35	417
COMPUTER AUDITS			
Application Audit: Housing Management Systems	ACE	1	15
DR & Resilience for On Premise Services	ACE	1	10
Patch and Vulnerability Management	ACE	1	15
Follow up of audits			5
Total Computer Audits		3	45
CONTRACT & PROJECT MANAGEMENT AUDITS			
Two project management audits to be determined	Various	2	20
Follow-up of audits			2
Total Contract Audits		2	22
SCHOOLS AUDITS			
Crosfield Nursery and Selhurst Early Years	CYPE	1	6
Coulsdon C. of E. School	CYPE	1	6
Greenvale Primary School	CYPE	1	6
Heavers Farm School	CYPE	1	6
Park Hill Junior and Infants	CYPE	1	6
Purley Oaks Primary School	CYPE	1	6
Smitham Primary School	CYPE	1	6
St Joseph's Federation	CYPE	1	8
Thomas More Catholic School	CYPE	1	8
St Nicholas	CYPE	1	6
Follow-up of Schools audits			8
Total Schools Audits		1	72
CONTINGENCY			

2024/25 Annual Audit Plan	Dept	Check	Audit Days
Contingency for Grant Claims, etc.			25
Total Contingency			25
ADMIN AND MANAGEMENT			
Attendance at meetings, discussions, Audit Committee etc			36
Total Admin and Management			36
GRAND TOTAL BUDGET		56	831
Total Key Financials Audits		8	105
Total Corporate Risk Audits		7	109
Total Departmental Risk Register Audits		35	417
Total Computer Audits		3	45
Total Contract Audits		2	22
Total Schools Audits		1	72
Total Contingency		0	25
Total Admin and Management		0	36
Grand Total		56	831

Daily Charge Rate Type	Charge Rate	Total Cost
Total Key Financials Audits	£ 422	£ 44,310
Total Corporate Risk Audits	£ 422	£ 45,998
Total Departmental Risk Register Audits	£ 422	£ 175,974
Total Computer Audits	£ 603	£ 27,135
Total Contract Audits	£ 513	£ 11,286
Total Schools Audits	£ 422	£ 30,384
Total Contingency	£ 422	£ 10,550
Total Admin and Management	£ 422	£ 15,192
Grand Total		£ 360,829

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LONDON BOROUGH OF CROYDON

REPORT:	AUDIT COMMITTEE	
DATE OF DECISION	March 2024	
REPORT TITLE:	Progress update on the People and Cultural Transformation Strategy 2022-2026 and Action Plan	
CORPORATE DIRECTOR / DIRECTOR:	Dean Shoesmith, Chief People Officer, Human Resources and Organisational Development	
LEAD OFFICER:	Dean Shoesmith, Chief People Officer Email: Dean.Shoesmith@croydon.gov.uk	
LEAD MEMBER:	CLLR JASON CUMMINGS, CABINET MEMBER FOR FINANCE	
KEY DECISION?	No	N/A
CONTAINS EXEMPT INFORMATION?		Public
WARDS AFFECTED:	All	

1 SUMMARY OF REPORT

- 1.1 This report provides an update on the development and progress of the People and Cultural Transformation Strategy 2022-2026 and supporting Action Plan, as requested by the Committee in September 2023. The report gives an overview of the seven pillars within the strategy, outlining the interdependencies across each pillar and how the strategy design enables activities in each pillar to deliver key transformational change as required by the Mayor’s Business Plan.
- 1.2 It outlines activities already achieved, activities underway, alongside plans to continue to change the culture of the organisation to become a council that delivers good quality services in an open and responsive way to residents, underpinned by strong financial disciplines and effective governance. The approach embedded in the People and Cultural Transformation Strategy is predicated on high staff engagement, co-creation, behavioural change and an aligned performance management framework. Key activities in the action plan have been co-created with staff.

2 RECOMMENDATIONS

For the reasons set out in the report [and its appendices] the Audit Committee is recommended:

- to receive an update on the People and Culture Transformation Strategy 2022-2026 development and action plan; and,
- to note the achievements to date, work in progress, planned actions, and the contents of the report and Action Plan

3 REASONS FOR RECOMMENDATIONS

- 3.1** Audit Committee has requested an update report on the progress of the People and Cultural Transformation Strategy 2022-26 and supporting Action Plan covering implementation of the action plan, governance and benchmarking of people and workforce.

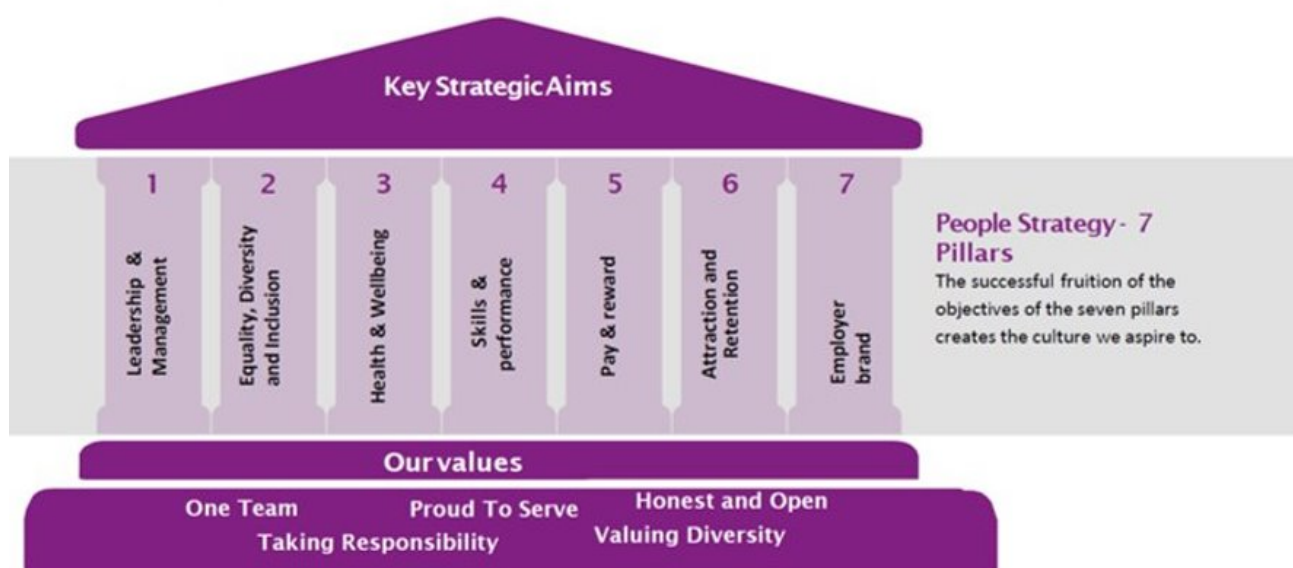
4 BACKGROUND AND DETAILS

- 4.1** The People and Cultural Transformation Strategy 2022-2026 (Appendix 1) was developed in 2022 and agreed by the Executive Mayor in Cabinet on 25th January 2023. Pre-decision scrutiny took place via the Scrutiny and Overview Committee on 23rd January 2023 and the Chair of Scrutiny and Overview Committee requested a future update on the strategy delivery. The purpose of the strategy and its associated action plan is to provide a framework in which the council addresses its workforce priorities over the next three years, setting out the way in which we will recruit, manage and invest in staff to achieve the transformation required by the Mayor's Business Plan priorities, to ensure that as an organisation the Council is able to deliver good quality services in a financially sustainable way.
- 4.2** The strategy contains seven pillars which interconnect and seek to strengthen leadership and management capabilities, get governance right, improve skills and performance, enhance our health and wellbeing opportunities, as well as ensuring that our brand enables us to attract and retain excellent people who are representative of the communities that we serve.
- 4.3** Whilst the overall owner of the strategy is the Chief People Officer, the delivery of the strategy is owned by the whole workforce. As a people-to-people business, this is to ensure we remain aligned to the wider organisation transformation journey, as well as ensuring our employees can play an active role in our cultural transformation, and our programme is inclusive ensuring that our residents and customers remain at the heart of what we do.
- 4.4** The Council has co-created its action plan (Appendix 2) with staff and key partners across the organisation, through active engagement and consultation to ensure that the employee voice is clearly defined. We are actively engaging with staff on activities that are underway and across the wider council to ensure that the People and Cultural Transformation Strategy is embedded.

- 4.5** Over the course of 12 sessions, more than 250 staff engaged in sharing their knowledge, experiences, and priorities to enable the council on its journey. The staff represented a cross-section of our workforce community and were representative in directorates, grades, careers, and several protected characteristics.
- 4.6** A further eight focus groups with 30 attendees, and 15 Head of Service / Director 1:1s were undertaken in the summer of 2023 to specifically shape leadership, management, and performance requirements, all with an EDI lens. Four focus groups were held to support the refresh of the Equalities Strategy, with 43 colleagues attending and further sessions to engage colleagues around core health and wellbeing actions took place in the summer and autumn.
- 4.7** The progress and governance of the Strategy is overseen by the Workforce Internal Control Board to ensure that we continue to meet the targets outlined and regular reports are provided on our implementation.

Our People and Cultural Transformation Strategy

Strategic objectives 2022- 2026



Seven key strategic objectives have been developed to provide a framework that addresses the council's workforce needs, enabling through organisational development the council to improve services to residents and setting in place a clear, measurable action plan for the next four years.

- 4.8** Each of our seven pillars has its own action plan, with defined milestones over the course of each of the four years of the delivery plan. However, it is important to ensure that the strategy remains adaptive, complementing the council's position and journey and, therefore, these milestones will have some flexibility to ensure they enable the effective delivery of the overall strategy.
- 4.9** **Pillar One** focuses on strengthening our leadership and management capabilities.
- 4.10** **Pillar Two** focuses on building an equality driven, inclusive and diverse workforce. This pillar intertwines with each of the other pillars to provide the foundations of our inclusive culture changes.
- 4.11** **Pillar Three** focuses on prioritising the health, wellbeing and resilience of our staff, where staff can thrive, are engaged and motivated to deliver positive outcomes for our diverse communities.
- 4.12** **Pillar Four** focuses on building our skills and capabilities and optimising our performance to deliver positive outcomes for Croydon's communities.
- 4.13** **Pillar Five** focuses on establishing a market leading pay and reward package.
- 4.14** **Pillar Six** focuses on attracting and retaining talent, responding to skills gaps in the context of a more competitive recruitment market.
- 4.15** **Pillar Seven** focuses on developing an employer brand to attract employees who share the Council's values. There are interdependencies across all the pillars of the

strategy, and it is in the Employer Brand that we see the culmination of wider actions that together make Croydon an attractive place to work.

4.16 Our first-year achievement and priorities are set out below and our current action plan is shown at appendix 2. The action plan provides a clear overview on our approach to delivery over the next three years, including our progression from getting the basics right, to evolving and embedding our new practices and changes, as we transform how we operate and support the direction of business within the organisation.

Our Approach – Our first year priorities, implementation of the action plan and governance.

4.17 Having co-designed our action plan with our workforce, we are at different stages of delivery in the 2023/24 year, with work already in train before the Strategy was approved by Cabinet in January 2023. Some areas have already been achieved, some are in design or delivery mode, and others will roll out over the coming months. Progress updates are shown in parenthesis in the table below at 4.18.

4.18 In summary, our first year focuses on the following areas of delivery: -

Leadership and Management	<p>Through working with senior officers to create a compelling new vision, purpose and target operating model which utilises skills, systems and strategies supported by data from externally verified audits, we will lay the foundations for our culture change vision, incorporating previous programmes of work such as Crossing the Threshold.</p> <p>The following initiatives will be rolled out:</p> <ul style="list-style-type: none"> • Back to the Floor sessions – visible leadership and resolutions (in design) • Utilising the change management framework to enhance delivery of transformation and service improvement (in progress) • Adopting a leadership framework (in design) • Rolling out core programmes on inclusive and change leadership (being commissioned) • Rolling out core developmental programmes for middle managers on aspiring managers, management foundations and stepping into leadership (being commissioned) • Promoting and utilising community of practice programmes to support embedding (at research stage)
Equality, Diversity, and Inclusion	<ul style="list-style-type: none"> • We established an EDI Board operating in February 2021 to ensure appropriate governance arrangements are in place to improve the representation of protected characteristic groups in the workforce profile to be as representative of the community we serve as possible as outlined in the refreshed our equalities strategy (achieved) • We have responded to feedback on our reasonable adjustments processes and put new processes in place to ensure more timely equipment is provided where needed. (in progress) • We continue to develop our Anti Racism assessment approach to embed across the business (in progress)

	<ul style="list-style-type: none"> • We continue to deliver staff engagement sessions which allow a safe space for us to hear, support and respond to the voice of Launching positive action leadership programmes such as: • Launched three cohorts of 'Black on Board' programme' offered by Olmec for minoritised employees, especially colleagues in entry / front line roles (started from October 2023, with excellent feedback from participants) • Reciprocal Mentoring Pilot with front line and operational colleagues with CMT and wider senior leaders Allyship programme for all levels of staff. (launch sessions in progress) • We have recruited and are trained over 120 people across all Directorates to ensure we have a strong pool of diverse interview panel members (achieved) and we have developed data monitoring dashboards on representation numbers that are regularly reported to EDI Board to measure impact and ensure effective governance
Health and Wellbeing	<ul style="list-style-type: none"> • We have developed an action plan, with priorities being identified with the workforce over the summer as part of the stop, pause and re-prioritise work. A range of initiatives will be rolled out, set out below (achieved) • We have undertaken a 'make time to take time' campaign to change some of our habits and behaviours around how people work, including sharing principles to allow for better meetings, work breaks and time to think (achieved) • We will be reviewing our policies to ensure that they are fit for purpose (in progress – new employee relations policies to go live in September) • All staff will undertake mandatory e-learning in mental health and wellbeing (in progress) • We have established and are rolling out a health and wellbeing passport (achieved) • We have re-invigorated The Guardians Programme (achieved) • We have become an accredited menopause friendly employer, and have implemented a clear menopause policy together with access to educational and outcome-based workshops, supported by guidance, top tips and case studies (achieved)
Skills and Performance	<ul style="list-style-type: none"> • We have created a Workforce Internal Board which provides oversight and governance (achieved) of workforce matters and delivery of the People and Cultural Transformation action plan • We have refreshed our induction offering and will be rolling out a new induction experience and manager experience (stage 1 online programme achieved, stage 2 in-person induction in development) • We have launched an interim user-friendly solution for appraisals to promote quality conversations (achieved) • We will be delivering core skills and base line training for all managers on <ul style="list-style-type: none"> ○ Customer service ○ Digital skills ○ Change management ○ Managing diverse teams for managers (all in progress)

	<ul style="list-style-type: none"> We have launched our 'A spotlight on ...' programme of mandatory training refreshers to ensure organisational compliance (achieved)
Pay and reward	<ul style="list-style-type: none"> During our first year we will be establishing and sharing information to improve experiences in job evaluation, and co-creating principles in pay and reward, understanding what is important to employees, recognising that depending on your current career timeline, requirements will vary (in design) Develop and raise awareness on total reward statements through a range of campaigns. And utilise this information better in our recruitment stages (initial design agreed by Workforce ICB – work in progress with the communications team) Reviewing options on informal and formal recognition programmes for staff (Staff Awards to go live April 2024) and Long Service awards reinstated from November 2023 (achieved)
Attraction and retention	<ul style="list-style-type: none"> We have been actively reviewing and streamlining our recruitment processes and practices to increase our brand, promote better opportunities for our internal staff and attract new staff to join the council (in progress) We have developed recruitment videos to promote our staff voices and experience (achieved) We are looking to develop our relationships with other local services and providers and work with local colleges on talent management (in progress) We welcome 7 new graduates to the Council in the Autumn as part of our continued participation in the National Graduate development Programme reporting on progress to March EDI Board (achieved) We are developing apprenticeship and work experience opportunities for local young people by working with Palace for Life, the charitable arm of Crystal Palace Football Club (achieved). As part of governance control, we have reported to EDI Board on progress with the council's apprenticeship programme (achieved) We are developing links with Croydon University Hospital to develop a wider public sector recruitment and attraction proposition across health and social care (in progress)
Employer Brand	<ul style="list-style-type: none"> Recognising that our brand is developed based on several areas outlined above and ensuring that we actively promote the opportunities and share experiences as part of our recruitment processes (in progress, with new recruitment landing page content achieved) That we retain are our London Living Wage status and progress to excellence-level in the Good Work Standard, as well as begin our pursuit of other accreditations, such as Investors in People accreditation if appropriate and cost effective (in progress – we are awaiting a decision on our 'excellence' application for the Good Work Standard)

4.19 We recognise the pillars have interdependencies and, therefore, some timelines will be more fluid to allow for embedding and adapting to ensure that we gain the most from the changes that we implement. In addition, we also accept that if change is

required to deliver the required impact, we will adapt our approach to ensure that we support the Council's wider vision and goals.

4.20 Benchmarking – workforce data

- 4.21 We have developed a comprehensive data dashboard that includes key metrics covering a range of workforce measurements and benchmarks, providing data, period reporting comparisons, trend analysis council-wide, and directorate dashboard drill down data. The dashboards are produced quarterly. This enables good governance via the Workforce and EDI internal control boards, and also at DMT-level with the directorate drill down data. This enables oversight of key workforce metrics that allow monitoring of actions and impact taken via the People and Cultural Transformation action plan.
- 4.22 A copy of the most recent dashboard which was reviewed by Workforce ICB on 15 February 2024, is attached to provide Audit Committee members an illustration of the dashboard and data reviewed. In addition to internal data benchmarking we are a part of the London Councils benchmarking collaborative, known Human Capital Metrics. This enables external benchmarking with the other 32 London Boroughs.
- 4.23 We ask that Audit Committee members receive this update of the progress on the development, design and delivery of the People and Culture Transformation Strategy and we commit to providing regular updates.

5 CONSULTATION

- 5.1 All employees were invited to attend workshops and presentations on the People and Cultural Transformation Strategy and provide their feedback on the content to help shape and develop the overall action plan.
- 5.2 Over 250 employees and Union colleagues attended the workshop/presentations and have contributed to, and commented on, the proposals. Additional consultation has taken place on specific elements of the strategy, including leadership, management, appraisals, careers, EDI, and Health & Wellbeing. Focus groups to help with the Equalities Strategy refresh were also held, with 43 colleagues contributing.
- 5.3 The People and Culture Transformation Strategy has been presented to the ACE DMT, CMT, MAB, (see glossary of terms section 10) Scrutiny, as well as to Cabinet.
- 5.4 Whilst the action plan identifies programmes for change across the council to support and underpin how we transform our service delivery, there is no public consultation requirement.
- 5.5 It is proposed to continue to involve staff representatives throughout the continued review of the action plan implementation, as well as setting up employee groups to shape and implement specific deliverables, role modelling an inclusive culture through this co-design approach.

6 ALTERNATIVE OPTIONS CONSIDERED

6.1 No other options were considered.

7. CONTRIBUTION TO COUNCIL PRIORITIES

7.1 The People and Cultural Transformation Strategy 2022-2026 aligns to the Croydon Renewal programme and the priorities outlined in the Mayor's Business Plan, particularly Priority 5: Develop our workforce to deliver in a manner that respects the diversity of our communities.

8. IMPLICATIONS

8.1 FINANCIAL IMPLICATIONS

8.1.1 Current finance implications are being met within existing budgets. Where additional resources will be required to support the delivery of some initiatives, now and in the future, funding bids will be made as appropriate following the Council's governance processes.

8.1.2 Comments approved by Lesley Shields, Head of Finance for Assistant Chief Executive and Resources on behalf of the Director of Finance. 23/02/2024

8.2 LEGAL IMPLICATIONS

8.2.1 This is a report to update the Audit Committee on the progress of the People and Cultural Transformation Strategy 2022-2026 and the implementation of the supporting Action Plan in place.

8.2.2 There are no direct legal implications arising from the recommendations in the report.

Approved by: Sandra Herbert, Head of Litigation and Corporate Law on behalf of the Director of Legal Services and Monitoring Officer. (27/02/2024)

8.3 EQUALITIES IMPLICATIONS

8.3.1 The Council has a statutory duty, when exercising its functions, to comply with the provisions set out in Section 149 of the Equality Act 2010. The Council must, in the performance of its functions, have due regard to its duty to:

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

- 8.3.2** The People and Cultural Transformation Strategy is key to the council's transformation and has been developed to have a positive impact on the lived experience of all staff and the improvement of services delivered to residents. This is supported by the focus on health and wellbeing in pillar 3.
- 8.3.3** An EQIA was produced in December 2022, which was updated in August 2023 which highlights a number of key initiatives within the seven pillars of the strategy that have a positive benefit to women, the Global Majority and other minoritised groups such as LGBT+, disabled staff and younger staff. Each intervention is based on clear evidence such as workforce data including pay gap data, staffing profiles and qualitative data such as staff co creation sessions and staff feedback from whole workforce interventions such as Crossing the Threshold.
- 8.3.4** Interventions outlined in relation to equality characteristics include: positive action training for the Global Majority and other racialised groups, disabled staff and women. Other positive action interventions include reciprocal mentoring and a Black on Board leadership programme to address the under-representation of Global Majority staff at grade 15, and above.
- 8.3.5** The strategy will also improve the lived experience of disabled staff by establishing a central budget for reasonable adjustments along with management information to support socialisation of disabled staff at work including those with neurodiverse conditions.
- 8.3.6** The apprenticeship strategy and the establishment of the Croydon Young Staff Network group will support the aim to encourage a younger workforce and rebalance our work profile with regard to younger employees.
- 8.3.7** A recent request for volunteers to be trained to sit on recruitment panels has resulted in over an additional 100 volunteers from all protected characteristics within the council. This will support our aim to ensure that all recruitment panels are diverse.
- 8.3.8** The strategy also seeks to further embed work within the Council to become an anti-racist organisation, building from our participation in the London Councils' Tackling Racial Injustice programme.
- 8.3.9** The strategy will also enable the directorate to consider and explore emerging equality issues such as intersectionality to identify where staff may be more likely to be impacted by plans and changes.
- 8.3.10** The EQIA is a live document and will be updated when further data and evidence is available.

Approved by Helen Reeves, Head of Strategy & Policy (22/02/2024)

OTHER IMPLICATIONS

8.4 HUMAN RESOURCES IMPLICATIONS

- The People and Cultural Transformation Strategy will have a positive impact for staff in supporting and delivering a range of transformational activities which will assist in enhancing their employee journey, improving health and wellbeing opportunities, and enabling change in connection with pay and reward and learning opportunities.
- There is no direct impact on headcount.
- Approved by: Dean Shoesmith Chief People Officer. (Date 15/02/2024)

8.5 HEALTH IMPLICATIONS

- Implementing our People and Cultural Transformation Strategy has the potential to positively impact the health of our workforce (circa 60% of whom are residents of the Borough) by, for example:
 - enhancing the training and employment prospects of our workforce and local residents
 - reducing stress and anxiety whilst enabling more resilience and adaptability to change
 - strengthening control over colleague's lives and fostering empowerment

Approved by: Dean Shoesmith, Chief People Officer (Date 15/02/2024)

8.6 RISK IMPLICATIONS

- 8.6.1 A Risk register is in place for the delivery of the People and Culture Transformation Strategy with any risks or issues being raised and managed via the Workforce Internal Control Board
- 8.6.2 Risks include the delay to the design of the Target Operating Model may impact on timelines for delivery or change the delivery dates, however contingency plans around consultation and design are in place to mitigate the risk. Approved by: Dean Shoesmith, Chief People Officer (Date 15/02/2024)

8.7 DATA PROTECTION IMPLICATIONS

- 8.7.1 Whilst the overall programme has several components that will require the collection / holding of personal data of individuals this will be collected/held for specific purposes only and individuals will be aware of this through the workforce data privacy notice and the reasons for capturing the data and the processing that will be undertaken. Processing of any personal data or sensitive data will purely be for the delivery, monitoring and impact of the strategy and will only be undertaken in accordance with the Data Protection Act 2018.

8.7.2 A DPIA will be considered for each individual area of work where we gather personal information and we will work with our existing policy [Workforce Data Protection Policy - Final.docx \(sharepoint.com\)](#)

Approved by: Dean Shoesmith, Chief People Officer (Date 15/02/2024)

9 APPENDICES

Appendix 1 *People and Cultural Transformation Strategy 2022-2026*

Appendix 2 *People and Cultural Transformation Strategy Action Plan*

Appendix 3 *Workforce ICB data dashboard January – December 2023*

10 GLOSSARY OF TERMS

- Assistant Chief Executive's Directorate Management Team (ACE DMT)
- Corporate Management Team (CMT)
- Mayor's Advisory Board (MAB)



London Borough of Croydon
People and Cultural
Transformation Strategy
2022 - 2026

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Overview

This four-year strategy aims to enable the delivery of the Mayor's Business Plan and the delivery of the strategic objective 'A transformed council listens to residents and delivers good services', specifically priority four to 'Develop a workforce which respects and delivers for our diverse communities'. We recognise that developing the right culture is essential to delivering the necessary change that sustains transformation and workforce improvement and is something that is raised repeatedly by our staff and members in focus groups, networks, general discussions and in the Crossing the Threshold program.

As part of the Council's wider Transformation programme there are a number of projects that are being developed to improve services and move

the Council to a financially sustainable organisation. As part of the success criteria of the overall Transformation programme the projects will include setting criteria to help towards improving the culture that in turn will help to attract and retain staff and drive up service improvement where necessary.

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 Section 137 of the Local Government and Public Involvement in Health Act 2007)



Background

The council has been undertaking considerable work to make workforce improvement under the leadership of the Chief Executive since the Report in the Public Interest 2020. The culture of the council up to that point had been one where there was a lack of inclusive leadership, an organisation working in silos and where senior management was detached from the workforce, with the collective employee voice not listened to sufficiently. Issues of institutional discrimination were also considered to be barriers to equality and inclusion and rigorous efforts have been made over the last two years to address these problems and as set out below: -

- Focus groups – led by CEO/Head of OD in September/October 2020
- Croydon Renewal Plan – engagement with all staff once the plan was submitted through an extensive series of workshops
- Speak up programme working with Old Vic – Guardians’ programme offering staff support and help via a signposting service
- Tea-talks (opportunity for staff to talk directly with CMT) with all Staff Networks and new Staff Networks now set up including under 35’s, mental health and carers’ network
- All-staff webinars led by the Chief Executive with an open questions and answers format
- Crossing the Threshold, culture change programme, to reframe the employment culture to focus on delivering good services for residents and improving employee engagement and productivity. We are committed to acting on what we heard from our staff in the first phase of Crossing the Threshold workshops including senior managers being more visible to staff, with less silo working and having a ‘one team, one council approach’ which is clear feedback from staff

- How important getting this right for staff will be to make Croydon a good place to work, attract talent and retain skills
- Improved governance including internal control boards
- Assurance and delivery to move the culture to one of accountability, openness and transparency, which will improve people management with less conduct issues



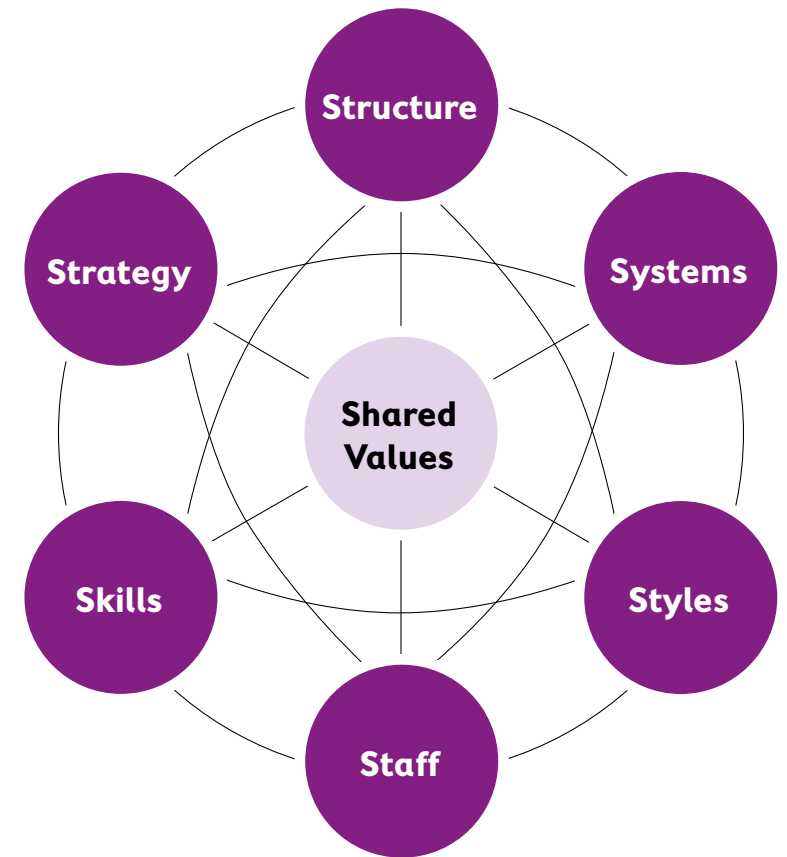
The Council has made significant changes as a result of the Corporate Restructure in 2021 (5 July 2021 Council meeting) giving focus to children’s services, adults and health, and housing. The restructure has been founded on strong people principles, with an emphasis of working as one council and how we have changed as a result of this.

Therefore, the Council has been laying foundations with design aims to ensure the Council can deliver more effectively on its business strategy, address the significant service quality improvements and workplace culture changes required by having focused and sufficient management capacity and ensuring a more consistent, corporate and effective internal control system. The organisational redesign also introduced new roles for senior and other staff to develop more cross-Council roles, role enrichment and development opportunities which this Strategy aims to build upon. Initiatives, such as the Council’s Crossing the Threshold programme, which has been initiated, and is ongoing, aims for the Council to become much more transparent, open and honest, i.e. a one-Council organisation, as set out in organisational redesign report.

Integral to talent attraction and management, the chief executive commissioned a positive action-based marketing and recruitment campaign designed to attract a diverse field of applicants as possible, and this work is to be developed and sustained in pillar 2 of this strategy.

The design has referenced the thinking behind the McKinsey “Seven S” model to guide improved ways of working, i.e., the Council must be seen as a whole system and be able to be more than the sum of its parts.

In the implementation of this People Strategy it is essential it is clearly linked and inter-dependent with the Council’s Transformation programme.



Vision statement

To enable the delivery of the Mayor's Business Plan 2022 -2026, we are committed to providing good quality services by developing our workforce to ensure they are equipped with the right skills, knowledge, and behaviours to serve our residents well. We will develop a culture of putting our residents first, embodying the council's values, which are **One Team, Proud to Serve, Taking Responsibility, Valuing Diversity and Honest and Open**, where we attract a good calibre workforce for local people to live and work. We will develop a Croydon economy making us a desired destination and employer.

Through this strategy we aim to be an employer of choice, developing a brand reputation for good service delivery, in tandem with a good employment experience, developing the skills of our people to serve our diverse residents efficiently, effectively, responsively, and courteously.

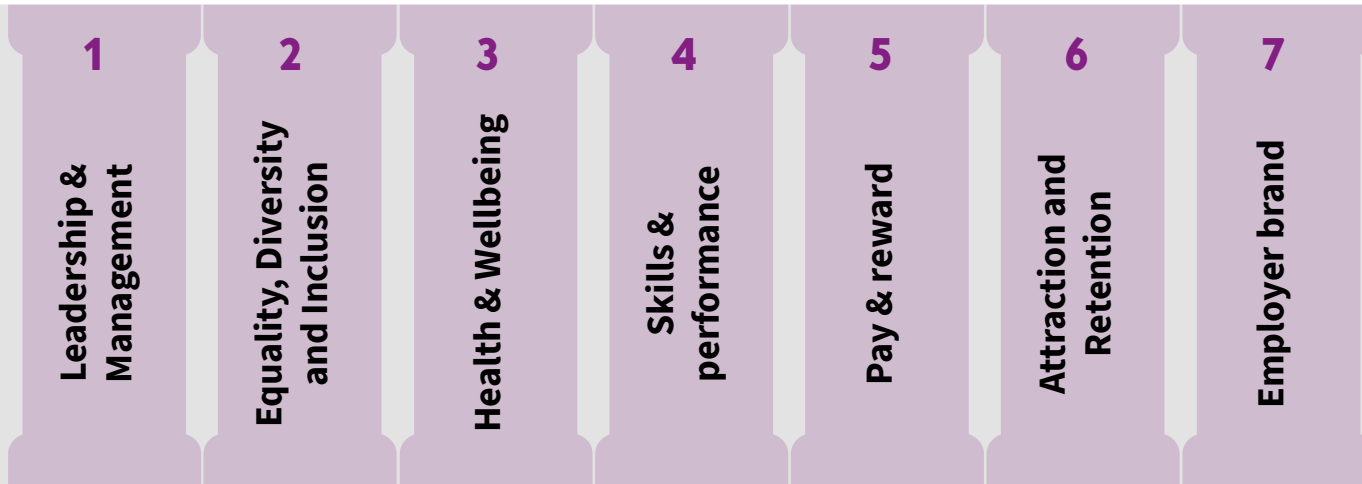
We aim to attract and retain diverse talent into the council, ensuring our workforce is as reflective as possible of the people of Croydon. This includes employing local people and ensuring our actions as an employer support local economic development and community sustainability.

We will invest in the learning and development of our workforce, equipping them with appropriate skills and solutions examples such as how to deliver good customer care, change and transformation ability, leadership and management whilst working in a digitally led environment.



Strategic objectives 2022 - 2026

Key Strategic Aims



People Strategy - 7 Pillars

The successful fruition of the objectives of the seven pillars creates the culture we aspire to.

Our Values

Taking Responsibility

One Team

Proud to Serve

Honest and Open

Valuing Diversity

Seven key strategic objectives have been developed to provide a framework that addresses the council's workforce needs, enabling through organisational development the council to improve services to residents and setting in place a clear measurable action plan for the next four years.

(Pillar 1) Strengthen our leadership and management capabilities.

Current position

Evidence from the staff survey December 2021 indicated that the council needs to develop and enhance our leadership and management capability.

Leaders are seen by staff as not sufficiently in touch with, and visible to, the workforce, needing to set clear direction listening to the collective employees' voice. This feedback is consistent with that from the first



phase of Crossing the Threshold (the council's workforce engagement and culture change programme). From staff survey feedback (see 3.2.1 above) we know managers' capabilities to engage staff with change, and deal with employment-related issues requires strengthening, along with managers' abilities to respond to workforce issues of equality, diversity, and inclusion.

Future state

Good Leadership consists of , listening, decision making, coaching, collaboration and accountability and performance.

The council aims to develop an inclusive leadership culture, with effective workforce visibility and development of approaches that truly listen to employees' voice, which has commenced through the Crossing the Threshold programme. We will revitalise our values to demonstrate through our behaviours we are embodying those values across the whole workforce, and in serving our residents, which has been a clear message from staff through Crossing the Threshold engagement sessions. There is clear interdependence with other strategic objectives in this regard, especially objectives to:

- Build an equality driven, diverse and inclusive workplace
- Prioritise the health, wellbeing and resilience of our staff
- Build our skills and capabilities and optimise our performance

The action plan at appendix 1 sets out how and when the council will realise this strategic objective, together with measurement of the critical success factors.

(Pillar 2) Build an equality driven, diverse and inclusive workplace.

Current position

Regular analysis of the council's workforce data reveals that more work is required to ensure our staff are representative of the community we serve. Several key areas for positive action emerge as themes from the analysis of our workforce data: -

- i. Age: the council's median age is 50, with 0.2% of staff under 20, and 2.6% in the age range 18-24. This reveals an ageing workforce profile, which will manifest in future years retention and skills gap issues as the current majority of the workforce is aged between 41-59 and these colleagues will pursue retirement plans over the next 5-15 years.
- ii. Ethnicity: whilst the council's overall ethnicity profile is broadly representative of the borough's demographic, at a senior level from G15 upwards there is a marked difference in the ethnicity profile with a much lower level of Black, Asian and Ethnic Minority senior managers.
- iii. Disability—whilst the council benchmarks favourably in terms of a representative disabled workforce and is in the upper quartile for London boroughs at 9.5%, this falls some way short of the borough demographic of 15%. Moreover, the lived experience of disabled staff in the workforce is another area for improvement to ensure better employee engagement.
- iv. Disclosure – the council benchmarks poorly with other London Boroughs for workforce disclosure of their protected characteristics.

The consequence of this is that without knowing the full profile of the workforce it is difficult to put in place measures that correctly align to support the equality and diversity of the workforce.

Future state

Building on work to date, a workforce EDI dashboard will be presented to the EDI internal control board to analyse the workforce profile and to highlight areas where positive action is needed to address under-representation. The EDI Board will also put in place measures to improve the employees' lived experience when coming from a protected characteristic group working for the council, completing co-creation work with the staff network groups.

The council will develop an inclusive and distributed leadership tool which aims to improve inclusion across the council, improving employees' lived experience. This initiative also enables Pillar one, strengthening the council's leadership capability.

The council aims to develop a workforce that is increasingly representative of the community we serve, as well as enabling an inclusive leadership of the workforce where employees feel they are listened to, respected, able to develop their talents, and recognised for the work they do.

Identify and embed new behaviours and ways of working aligned to Mayoral governance and a hybrid way of working.

(Pillar 3) Prioritise the health, wellbeing, and resilience of our staff, where staff can thrive and are engaged and motivated to deliver positive outcomes for our diverse communities.

Current position

Both hard and soft data indicates that stress-related conditions are increasing across the council, with stress being the most frequent reason for sickness absence. Sickness absence has seen a steady increase across the workforce throughout 2021/22 (over nine days per head per year) and work to address this is being put in place through monthly sickness panels held at Directorate Management Team level. Over the last two years the council has put extensive work into developing initiatives supporting workforce mental health and wellbeing including Mental Health champions, a workforce health and wellbeing group (led by HR and Public Health), Mental Health Tea Talks with CMT, mental health first aiders, a mental health staff network, the Guardians’ programme, as a further source of information and support, together with the council’s employee assistance programme.

A workforce health and wellbeing strategy has been developed by a cross-section of officers based on the five ways to wellbeing (connect, give, take notice, keep learning and be active) produced by the Mental Health Foundation.

Future state

Through the implementation of the workforce strategy and action plan

we aim for our workforce to be happy, healthy, and supported by the best possible working environment. We are establishing a Workforce Board, led by the CEO, which will include an increased focus on managing sickness absence to ensure we are supporting staff and providing continuity of services to residents. The aim of the workforce health and wellbeing strategy is to create a safe, healthy and ‘good work’ environment which fosters a culture of positive wellbeing for all its employees.

We aspire to fulfil the Chartered Institute of Personnel and Development’s best practice regarding workforce wellbeing, which is ‘to gain real benefit wellbeing must be integrated throughout the organisation, embedded in its culture, its leadership and its people management (CIPD 2019)’.



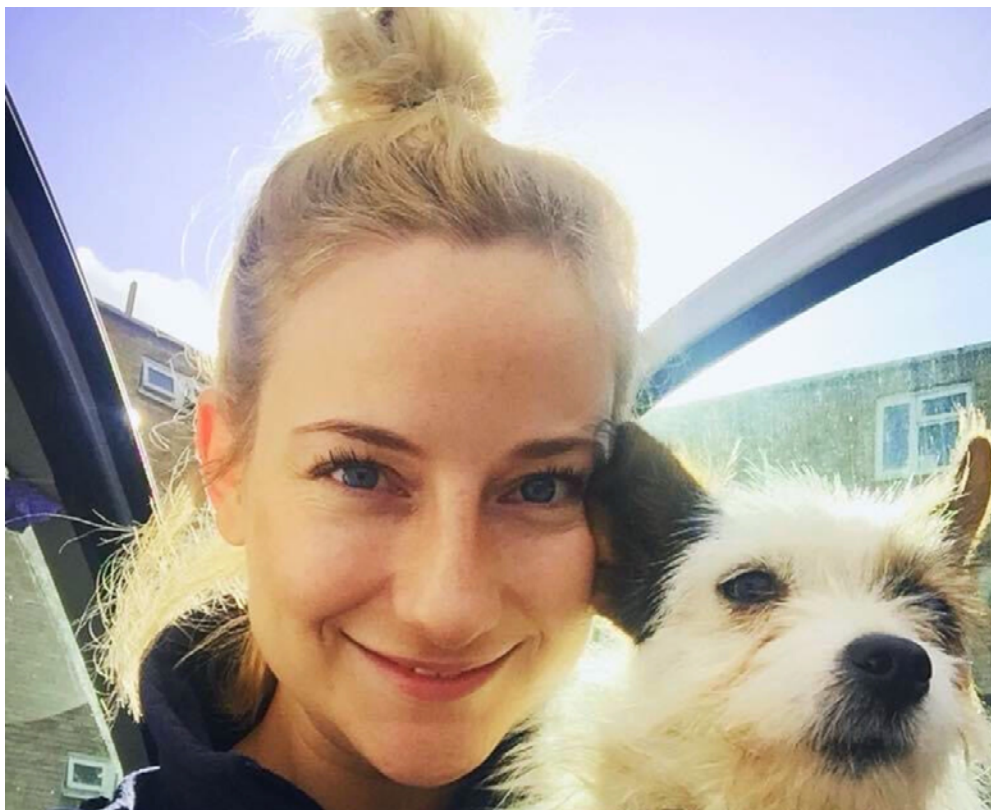
Implement initiatives to address workplace conflict, including a relaunched employee mediation scheme, seeking to resolve any conflict as close to the point of origin as possible and taking best practice from ACAS (Arbitration and Conciliation Advisory Service).

NB: Industry leads in effective employment relations

(Pillar 4) Build our skills and capabilities and optimise our performance.

Current position

The December 2021 staff survey highlights a number of workforce development areas, including the ability for staff to develop themselves and their careers. The survey data is also supported by feedback from the staff network groups and in particular the Race Equality Network where Black, Asian and minoritised staff report that they are overlooked for professional development and career progression. As Black, Asian, and minoritised staff make up 37% (January 2023) of the workforce (note,



where staff have shared their protected characteristic data) this represents a sizeable proportion of the workforce where there is a need to build skills and capabilities to serve our residents.

Future state

The council will invest in positive action development programmes for protected characteristic staff to ensure an equitable approach to address current and past organisational shortcomings.

We will develop clear career and skills development pathways to ensure a systemic and holistic approach to workforce development which will be aligned to business planning and the fulfilment of the Mayor's Business Plan to optimise performance for residents' benefit.

We aim to be known as an employer that invests in our workforce improving employees' wellbeing, capability, performance, and the council's reputation as an employer. We will redevelop our recruitment landing pages to provide an authentic brand image of the council as a good place to work with footage of diverse staff speaking about their experiences, including continuing professional development, to attract diverse and capable talent.

Develop and roll out a refreshed people performance management and appraisal system aiming to provide the best quality services possible to residents.

(Pillar 5) Acquire and retain talent, responding to skills gaps in the context of a more competitive recruitment market.

Current position

The council faces significant challenges in the local, regional, and national labour markets when seeking to recruit, with spiralling pay competitiveness a common feature.

The manifestation of labour market competitiveness, is the council - in skills scarce roles - needing to apply market supplements to be able to provide sufficiency of pay to attract candidates.

The current Greater London Provincial Council job evaluation scheme has been in place for over 30 years and can present difficulties in matching the labour market going rate and modern local government operating models when it comes to pay and grade determination.



The council has two different job evaluation schemes (GPLC and Hay depending on grade seniority), over 1,000 different job descriptions, and historic complexity regrading pay, grading, and determining job value.

All of the above indicates the need for a strategic pay review, including an equality pay audit. Additionally, we need to develop a simpler, transparent pay and reward system that is more flexible and adaptive to prevailing external labour market conditions, as well as being clear and easily understood across the internal workforce.

Future state

The council will conduct a strategic pay review which will seek to simplify and make transparent the approach to job value, pay and rewards. The review will aim to benchmark the council against the external labour market to ensure pay and reward is competitive, whilst also being affordable within the council's overall pay bill.

The council will align pay and grading systems and structures with skills paths and career progression to ensure a systematic approach to succession planning and talent development alongside pay and compensation, that supports effective recruitment and retention, as well as individual and organisational development.

The council will review options for simplification and modernisation of its job evaluation schemes, rationalising the mechanics of the job evaluation process and job descriptions, to unify the approach and provide improved transparency for all staff to understand how the scheme works and how job value is evaluated.

We will implement a total rewards statement to make clear Croydon's employment offer, to build our employer brand and to support effective recruitment and retention.

(Pillar 6) Establish a market lead pay and reward package.

Current position

The council, in common with other employers in the hyper-competitive London labour market, experiences challenges with employing several skills scarce occupations across the workforce. This includes qualified social workers (both children's and adults), approval mental health practitioners, digital and ICT specialists, legal, finance, planners, and building control.

The consequence of skills scarcity includes the council needing to take alternative measures to fill statutory services and other business critical roles including the recruitment of agency workers. In financial year 2021/22 the council spent £16m on agency workers and aims to reduce the cost and number involved. Agency staff are respected members of our workforce and approx. 90% of agency staff are filling established posts.

Future state

There is close alignment and interdependency with Pillars 4, 6 and 7. The council will aim to develop a more attractive employment value proposition (employment attraction package) to ensure we can recruit and retain good calibre people.

The council will build a pipeline of new talent by developing an apprenticeships strategy, developing clear career and skills pathways to address the underrepresentation of young people in the workforce, addressing skills gaps in the workforce and improving economic

development in the borough to avoid worklessness and generate economic activity. The council will commit to creating apprenticeships through clear organisational design, agreeing annual targets across all directorates to create 'new start' apprentices, as well as apprenticeship conversions which enable the council to develop current staff and draw upon the Government's levy. The council will target Croydon residents to ensure our local population benefit and the council provides community leadership to address worklessness and skills development for residents.

We will develop a range of different resourcing methods to seek to attract diverse and high-quality candidates to work for the council. As covered under Pillar 4 above, we aim to redevelop our recruitment landing pages to provide an authentic brand and compelling package to attract the best candidates possible. We will also implement a values-based approach to recruitment to ensure candidates are assessed on their behavioural values, as well as knowledge, skills, education and aptitude. We will implement and evaluate different recruiting methods such as greater use of social media, direct sourcing (use of online platforms to make direct contact with potential candidates), candidate open days, and community outreach work, including schools and colleges to attract local people to work for the council (including apprenticeships), with the wider benefit of generating economic activity and development in the community, leveraging the council's position as a major employer in the borough.

In terms of retention there are key interdependencies with Pillar 4 and building workforce skills and capabilities. We will utilise our workforce exit data to pinpoint where we have issues of employee turnover and take targeted actions, including improving employee engagement.

(Pillar 6) Establish a market lead pay and reward package.

Current position

The council, in common with other employers in the hyper-competitive London labour market, experiences challenges with employing several skills scarce occupations across the workforce. This includes qualified social workers (both children's and adults), approval mental health practitioners, digital and ICT specialists, legal, finance, planners, and building control.

The consequence of skills scarcity includes the council needing to take alternative measures to fill statutory services and other business critical roles including the recruitment of agency workers. In financial year 2021/22 the council spent £16m on agency workers and aims to reduce the cost and number involved. Agency staff are respected members of our workforce and approx. 90% of agency staff are filling established posts.

Future state

There is close alignment and interdependency with Pillars 4, 6 and 7. The council will aim to develop a more attractive employment value proposition (employment attraction package) to ensure we can recruit and retain good calibre people.

The council will build a pipeline of new talent by developing an apprenticeships strategy, developing clear career and skills pathways to address the underrepresentation of young people in the workforce, addressing skills gaps in the workforce and improving economic

development in the borough to avoid worklessness and generate economic activity. The council will commit to creating apprenticeships through clear organisational design, agreeing annual targets across all directorates to create 'new start' apprentices, as well as apprenticeship conversions which enable the council to develop current staff and draw upon the Government's levy. The council will target Croydon residents to ensure our local population benefit and the council provides community leadership to address worklessness and skills development for residents.

We will develop a range of different resourcing methods to seek to attract diverse and high-quality candidates to work for the council. As covered under Pillar 4 above, we aim to redevelop our recruitment landing pages to provide an authentic brand and compelling package to attract the best candidates possible. We will also implement a values-based approach to recruitment to ensure candidates are assessed on their behavioural values, as well as knowledge, skills, education and aptitude. We will implement and evaluate different recruiting methods such as greater use of social media, direct sourcing (use of online platforms to make direct contact with potential candidates), candidate open days, and community outreach work, including schools and colleges to attract local people to work for the council (including apprenticeships), with the wider benefit of generating economic activity and development in the community, leveraging the council's position as a major employer in the borough.

In terms of retention there are key interdependencies with Pillar 4 and building workforce skills and capabilities. We will utilise our workforce exit data to pinpoint where we have issues of employee turnover and take targeted actions, including improving employee engagement.

(Pillar 7) Develop an employer brand to attract employees who share the Council's values

Current position

Given the recent past of the council and its continuing financial difficulties, attraction and successful recruitment of candidates in several skills scarce occupations can be even more challenging, added to which we are seeking to respond to the hyper-competitive London labour market. As well as developing a four-year apprenticeships strategy (see 3.6.3 above) to attract younger people to work for the council an analysis of workforce data and pay gap reports show that there is an underrepresentation of young people (only 2 % of the workforce is under 24). In senior grades there is a shortfall of Black, Asian and minoritized staff (10% v 40% for the wider workforce).

Recruitment experts have dubbed 2022 the 'great resignation' which means

staff are much more inclined to leave their employer given external pressures such as the cost-of-living crisis, 40-year high inflation rates, and the impact of the Covid-19 pandemic and successive lockdowns and associated economic turbulence. It essential to put clear recruitment plans in place and ensure we have effective talent management that attracts new skills into the council. We are also building social values embedded in the council's contracts

to leverage our supplier relationships to help us to work with the private sector for the wider prosperity and sustainability of the whole borough. For



example, we are working with Adecco and Croydon Works to ensure wider economic development and improved life chances for the young people of our borough.

Our staff are effective ambassadors of working for the council however we know from staff survey results and staff exit survey data not all hold a positive view and experience of working for the council. We need to address employee engagement, and this is interdependent with, and covered in, pillars 1 to 6 above to ensure our staff act as our employment advocates.

Future state

Develop a values-based employer brand incorporating total pay and reward and external accreditations to demonstrate real progress with our employment offer and an authentic employer brand based on external assessment. Market the attraction of Croydon as a place to live and work, including:

- Fast and efficient transport infrastructure
- Affordable housing (compared with central London), which is multi cultural and diverse
- Where there is true employee voice
- Where we have hybrid working and good office accommodation
- We aim to develop defined career paths

We have external accreditations that provide independent verification of Croydon as a good employer, including issues of overall people management as well as more specifically for equality, diversity, and inclusion.

People and Culture Transformation Strategy

2023/24

Action Plan

2023/24 **Getting the Basics Right**

Pillar	Action	Activity	Delivery Date	Key measures
Leadership and Management	Building a cultural impetus: Develop a Target Operating Model (TOM) by January 2024, outlining a compelling vision that aligns with the cultural vision and future state of Croydon. Ensure that the TOM reflects a clear transformation roadmap, encompassing both short-term and long-term goals.	TOM Development	Jan 24	The council has a future target operating model, transformation plan and a road map for getting us to the year 2028.
	Define and articulate a cultural vision for Croydon council within the TOM by March 2024 outlining key cultural attributes and behaviours that will drive success in the future state.	Activity from CTT sessions in 2022/23	Mar 24	80% + of surveyed staff feel confident that they understand the vision and direction of travel of the council.

People Culture Transformation Action Plan

<p>Outline the current internal and external capabilities of Croydon council by March 2024, and project the future capabilities required to meet the goals set in the TOM. Identify any capability gaps and propose strategies for closing them.</p> <p>Integrate the outputs and outcomes of Crossing the Threshold initiatives into the cultural mapping exercise by March 2024, ensuring that the cultural vision within the TOM is informed by the lessons and successes of these initiatives.</p>	<p>Improve workforce culture to align with wider council transformation</p>	<p>Mar 24</p>	
<p>Offer leadership and management development at all levels to foster a mindset of inclusive, distributed leadership and accountability with aligned behaviours, to include:</p> <ul style="list-style-type: none"> Establishing and embed a behavioural framework for inclusive and distributed leadership in all development offers, 	<p>Leadership Talks</p>	<p>Aug.23– March 24</p>	<p>30% or more of all levels of the council participate in leadership and management development activities as ascribed to establish and nurture an inclusive performance management culture</p>
<p>Deliver a variety of leadership conferences/forums for CMT/Directors/HOS/Middle managers to intentionally and proactively develop productive relationships among leadership to operational level</p>	<p>HoS Forums in person</p>	<p>Quarterly</p>	<p>10% increase in staff expressing that they are engaged in more sharing of best practice with other colleagues at a cross-level or cross-directorate level</p> <p>10% more of our partners have been asked for feedback on our partnership working</p> <p>10% more residents feel that we are spending more time understanding their needs and collaborating for solutions</p>
<p>Managers/Leaders to undertake back to the floor sessions with staff to increase visibility and understand/resolve sticking</p>	<p>Leadership visibility</p>	<p>Starting April 2024</p>	<p>At least 25 % of staff would recommend their manager for an award within one year of back to the floor sessions</p> <p>Customer relations problem resolution timeframes are reduced by 25%</p> <p>50% more staff feel their managers understand their work and trust them to make the right decisions and escalation of decision-making is reduced by 25% creating more efficiency</p>
<p>Develop a leadership offer for senior managers(CMT, Directors) on inclusive management, change leadership alongside and opportunities to participate in organisational raids, commission coaching support as required</p> <ul style="list-style-type: none"> Establish interactive exchanges for CMT, directors and heads of service (HoS) to aid the building of relationships, review 360-degree approach and process for appraisals of CMT, directors and HoS by 2025, Offer leadership membership ie. White hall Industry group(WIG) 	<p>Increasing leadership capacity</p>	<p>Starting April 2024</p>	<p>At least 60% of staff feel that their appraisal conversations and assessments are fair, accurate, and effective.</p> <p>The number of grievances is reduced by 10% by the third quarter of 2024</p> <p>Staff say they are doing at least 25% more cross-collaborative working with all levels and across normal ways of working by the third quarter of 2024</p> <p>At least 50% of managers and leaders feel they are trusted to make decisions appropriate to their level of delegation without multiple counter checks on 70% of their decisions</p>

People Culture Transformation Action Plan

			At least 25% of residents express improved satisfaction in relationships with the council by the third quarter of 2024
Launch a mentoring and coaching programme for employees at all levels to foster a culture of continuous learning and professional development within the council by April 2024	Increasing workforce capacity and capability	April 24	<p>Launch an internal mentoring and coaching software platform that will facilitate development of mentoring and coaching relationships and pilot in one by the end of March 2024</p> <p>At least 80% of staff participating in a coaching programme report more confidence in their job performance and satisfaction.</p>
Establish networking forums for Middle managers to facilitate the exchange of best practices and knowledge among middle managers ensuring the longevity and impact of networking forums on the professional development of middle managers.	Improve leadership and management capability	Apr 24	<p>50% or more managers declare they have either shared or received successful strategies/lessons learned and best practices from other managers and this has reduced either redundancy or time to develop solutions leading to cost savings and operational efficiency after participation in at least two or more forums by the end of March 2024.</p> <p>50% or more managers expressed that exposure to diverse perspectives from across the council has helped them develop innovative solutions to complex problems.</p> <p>70% or more managers express higher satisfaction in their roles as people managers after attending one or more forums</p> <p>At least 70% of staff feel their managers are supportive and are more likely to stay with the council.</p>
To prepare talented managers for transition into senior roles we will offer: • Stepping into Leadership	Continue to develop pipelines to address skills shortages	Oct 23	Launch a "Stepping into Leadership" programme to prepare talented managers for senior roles by April 2025 with at least 80% of participants report an improvement in targeted leadership competencies through post-programme assessments.
Explore development programmes for all staff aspiring for future managerial positions managers: • Aspiring managers • Management Foundations Leverage the programmes in our branding initiatives to demonstrate the council's commitment to employee development and growth.	Develop internal future talent pipeline	Jan 24	<p>Launch the Aspiring Managers Programme to develop skills and knowledge for future managerial positions targeting 100% of eligible staff within the first six months.</p> <p>Develop core management foundations to provide essential skills for effective management with 90% of participants demonstrating proficiency in core management competencies through post-programme assessments.</p> <p>Strengthen leadership capabilities by integrating leadership development components into both programmes with at least a 25% increase in self-reported leadership competencies among programme participants.</p> <p>50% of programme participants express interest in or transition to higher roles within one year of completing the programmes.</p>

People Culture Transformation Action Plan

			25% + of new starters citing development programmes as a key attraction factor.
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Pillar	Action	Activity	Delivery Date	Measures of success
Equality, Diversity, and Inclusion (EDI)	<ul style="list-style-type: none"> Establish & develop the equalities, diversity and inclusion Board as a governance body for equalities Introduce the role of equality champions/leads & establish them for each directorate Establish challenge sessions with Equalities leads from all directorates to hold them to account for delivery of the equalities strategy Establish key metrics to measure the inclusiveness of decision-making within the EDI Board. 	EDI Board established	2021-2027	<p>The EDI Board establishes an accountability model for holding the directorates accountable for the successful delivery of the Equality strategy delivery plan and actions to achieve the Councils outcomes of :</p> <ul style="list-style-type: none"> The Council addresses social inequities as a community leader and employer Strong partner working ensures improved access to opportunities and meets individual needs as they arise People in Croydon are supported to lead healthier and independent lives for longer
	Initiate a review of our current values and assess need for changes aligned to our new aspirations. Benchmark against other local authorities where it makes sense	Review values to ensure they are authentic and reflect the culture of the council	Commence April 24	<p>Develop a strategy and approach for reviewing our values by March 2024 and launch a wholesale values review</p> <p>Socialise new values for final agreement by end of March 2024</p> <p>Embed new values in all appropriate HR policies, recruitment, behavioural frameworks and appraisals by April 2024</p>
	To ensure fairer recruitment processes and reduce bias we will develop/train a pool of diverse of candidates for interview panels	120 volunteers recruited Training delivered	June 23 Sep Nov 23	<p>80% of interview panels will be diverse within six months of recruitment and training.</p> <p>85% or more of new starters and existing eligible staff going for promotion experience the hiring process as fair and inclusive.</p>
	<p>Deliver staff engagement safe space mechanisms to hear, support & respond, to the voice of staff:</p> <ul style="list-style-type: none"> Programmed monthly 'Tea Breaks' for CMT to listen 2 Staff temperature/ pulse checks Ongoing staff Network support Staff road shows Local back to floor exercises Establish a shadow CMT offer Create values change champions among CMT members 	<p>Monthly tea breaks scheduled</p> <p>Networks in place and funding issued</p> <p>Roadshows regularly</p>	<p>Ongoing</p> <p>May 23</p> <p>Ongoing</p>	<p>CMT and other senior leaders will commit to attend either on a rotating basis, or as a collective, 100% of 'Tea Breaks', and other online safe space activities</p> <p>Achieve 30% or higher staff engagement in staff temperature/pulse checks.</p> <p>100% of the 8 staff network chairs say they feel supported, they are listened to and their network contributions are valued by the EDI Board and the council.</p> <p>At least 80% of staff in each Directorate feel confident to approach their corporate director and/or directors to have a conversation and/or share ideas</p>
	Given a 69% female workforce and a commitment to increase representation of global majority at senior levels plus a need to address	Improve workforce EDI	Starting Oct 23	

People Culture Transformation Action Plan

<p>some intersectionality issues, especially for the council's lower graded staff we are prioritising our positive action programmes on Global majority & women.</p> <p>Deliver leadership programmes for racialised minorities to include:</p> <ul style="list-style-type: none"> • Launch cohort 1 'Black on Board' programme' offered by Olmec for minoritised employees, especially colleagues in entry / front line roles • Implement reciprocal Mentoring Pilot • 'Inspiring Individuality' leadership apprenticeship L3 offered by 'Raising the Bar' aims to empower and inspire individuals who may be in the minoritized groups to share the pride of their ethnicity with others and learn fundamental techniques to address inclusivity for themselves and others <p>Women's programmes offered by 'Raising the Bar' to include: Women In Leadership apprenticeship programmes at L3 &5 which aims to inspire, motivate, and empower current & aspiring female leaders and stimulate talented women to meet their potential.</p>	<p>Course roll out Oct 23</p>	<p>Oct 23</p>	<p>Increase representation at leadership levels among racialised minorities, foster mutual learning and support among leaders from diverse backgrounds and empower and inspire individuals from minoritized groups to address inclusivity and share their ethnic pride.</p> <p>80% or higher of participants say that the leadership programmes addressed intersectionality issues especially staff in grades 15 and below.</p> <p>15% or more participants should report a positive career trajectory within one year of completion of their respective programme(s).</p>
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Pillar	Action	Activity	Delivery Date	Measures of success
<p align="center">Health and Wellbeing</p>	<ul style="list-style-type: none"> • Develop a health and well strategy with action plan • H&S review of Policies • Establish council-wide compliance for health and wellbeing training uptake • Ensure council wide completion of mandatory of introductory e-learning on mental health and wellbeing course • Establish a health and wellbeing passport <p>(1) Guardians' programme relaunched (2) Promote, refocus the Guardian's programme as a source for confidential listening and health and wellbeing support</p>	<p>Developed action plan and co-creation strategies in place</p>	<p>Oct 23</p>	<p>Co-develop with staff and other key stakeholders the health and wellbeing strategy and action and implement actions within three months of approval.</p> <p>80% or more of staff will complete all health and wellbeing mandatory training by April 2024</p> <p>100% of new staff will complete all mandatory health and wellbeing training within six months, aligned to the probation period.</p> <p>Year on year numerical increase in the use of health and wellbeing passports from date of launch and corresponding policy - use passport system and promote its benefits to employees.</p> <p>Increase visibility and awareness of the Guardians programme within three months of a relaunch with 90% or more of staff saying they are aware of the programme and know how to access it if needed.</p> <p>Sustain and strengthen the role of Guardians as confidential listeners for staff support and well-being.</p>

Pillar	Action	Activity	Delivery Date	Key measures of success
<p align="center">Skills and Performance</p>	<p>Build on our mandatory training and recertification process and ensure baseline data is in place.</p> <p>Ensure a robust induction to the council:</p> <ul style="list-style-type: none"> • Induction – introduce basic approach then iterate over the 3 years to create induction as an experience; Manager Induction. <p>Develop and rollout training to address priority skills gaps of :</p> <ul style="list-style-type: none"> • Customer service 	<p>Induction Checklist revised and updated</p> <p>Online induction Launch</p>	<p>Sept 23</p> <p>Oct 23</p>	<p>20% or more reduction in penalty costs due to breaches in compliance to our statutory, legal and/or regulatory obligations</p> <p>100% of staff have completed all mandatory modules</p> <p>At least 90% of new starters participating in an induction programme after one year feel they</p>

People Culture Transformation Action Plan

<ul style="list-style-type: none"> • Digital skills • Change management • Managing diverse teams for managers • Managing conflict 				<p>had a positive onboarding process and would recommend their friends and family to Croydon Council.</p> <p>Council staff adopt a customer-centric approach to service delivery and 60% of residents participating in a resident survey report an increase in satisfaction rates with their interactions with the council six months after council-wide customer services training.</p> <p>Croydon Council has a pool of 100+ internal diverse staff and managers with the right knowledge, skills and capabilities to respond to the changing landscape and current needs of the council and residents resulting in a reduction of external recruitment costs and retention of key resources one year and beyond the priority skills training.</p> <p>10% improvement in overall digital literacy and adaptability within the workforce and with residents, resulting in enhanced positive customer relations management six months post skills update.</p>
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Pillar	Action	Activity	Delivery Date	Measures for success
Pay and Reward	<ul style="list-style-type: none"> • Review of Job Evaluation forms to streamline • Create design principles for pay and reward using co-creation as a key design principle • Raise awareness on total pay and reward through various communications campaigns. • Develop and socialise a Total Reward statement and integrate as part of an attraction process <p>Recognition:</p> <ul style="list-style-type: none"> • Review options for informal formal recognition programmes ie. Long service award, staff awards 	<p>JE process updated and launched.</p> <p>Long Service Award programme recognition</p> <p>Staff Award recognition</p>	<p>July 23</p> <p>Nov 23</p> <p>April 24</p>	<p>Launch a communications campaign in July 2023 to spotlight the various rewards that the council offers all staff</p> <p>Initiate in April 23 a weekly recognition spotlight as part of the CE's newsletter to provide council-wide acknowledgement of those who have provided exemplary service(s)</p> <p>Launch an inaugural 'long service award' for staff who have been employed for over 20 years, commencing 30 November 2023 to be conducted quarterly.</p> <p>Commence a review in the fourth quarter of 23/24 of our job evaluation forms and processes to identify efficiencies, consistencies and fairness in the evaluation process with the expectation of reducing bias and promoting staff satisfaction. Review to be completed by first quarter of 24/25 with proposals for future forms and processes to be submitted for approval by June 24</p>

People Culture Transformation Action Plan

Pillar	Action	Activity	Delivery Date	Measures of success
Attraction and Retention	<ul style="list-style-type: none"> Review, simplify and decrease bias in our internal and external recruitment process, implement quick wins <ul style="list-style-type: none"> Using Videos on our recruitment pages <p>(2) Explore opportunities to address future and scarce skills gaps</p> <ul style="list-style-type: none"> Develop relationships with Croydon university hospital, Palace for Life and Croydon college as a talent management mechanism, Explore/agree processes, policies, practices on promoting talent and increasing job mobility internally, leveraging development in multiple ways – e.g. via secondments, apprenticeships, job shadows, work experience <p>Continue to recruit to and manage the National Graduate Development Programme</p> <p>3) Research/Review talent management approaches that will support our transformation objectives</p>	<p>Recruitment review and co-creation Updating recruitment internet to include videos Updating documentation Improving candidate experience Improving application form process</p> <p>Improve workforce skills and align with recruitment review to support talent development</p> <p>Developing secondment opportunities for advertisement</p>	Oct 23	<p>At least 80% of new starters report that the recruitment and selection process was fair</p> <p>10% less cost in the administrative overhead required to fill posts</p> <p>Croydon attracts at least 30% diverse talent to meet our goals for representation of the community at all levels Experience: simplifying the process creates a positive impression on candidates, improving the employer brand and making it easier to attract top talent. Implementation of Quick Wins:</p> <p>Utilise AI in screening: implement artificial intelligence tools to screen applications, reducing unconscious bias and ensuring fair evaluation. Standardise interview questions: develop standardised interview questions to ensure consistency and fairness during candidates' evaluation. Training programmes: conduct training programmes for hiring managers to raise awareness about unconscious bias and promote fair hiring practice. 2. Use of videos on recruitment pages: Objective:</p> <p>Enhance the candidate experience and provide a more engaging insight into the organisational culture.</p>

Pillar	Action	Activity	Delivery Date	Measures of success	Lead	RAG
Employer Brand	<ul style="list-style-type: none"> Explore/agree options of accreditations we want to pursue Pursue Good Work Standard excellence level accreditation Establish a strategic partner relationship with Reed Learning to support building our brand 	<p>GWS 'excellence' level evidence submitted and awaiting outcome from the GLA</p> <p>Relationship developed and delivery/roll out being planned.</p>	<p>Oct 23</p> <p>Jan 24</p>	<p>Decide on branding options and monitor</p> <p>50% of new hires on starting report the council has a positive brand image</p>	CPO	On track

People and Culture Transformation Strategy

2024/25

Action Plan

Pillar	Action	Activity	Delivery Date	Measures	Lead	RAG
Leadership and Management	Continue implementation /evaluation of culture development activities, processes, and integrating outputs/outcomes into mainstream business	Pulse surveys measuring workforce culture	Mar 25	90% or more of staff say they are aware and understand the new vision and target operating model and understand their role in and it.	CPO	

People Culture Transformation Action Plan

<p>Evolve leadership offers to respond to changes in landscape and movement in behavioural changes expected i.e.. Financial management</p> <p>Introduce 360-degree management development tool for appraisals of CMT, directors for performance management and development</p>	<p>Management and leadership development programmes</p>	<p>Mar 25</p>	<ul style="list-style-type: none"> • 80% of staff perceive improvements in the accuracy, fairness, and effectiveness of the appraisal and performance management processes year on year. • 10% reduction of formal grievances • 25% increase in collaborative working among leaders and staff and breaking down of silos • 60% or more residents express improved satisfaction in relationships with the council 	<p>CPO</p>	
<p>Directorates evolve & deliver local back to the floor sessions with staff to increase visibility and understand/resolve sticking points.</p>	<p>Back to floor leadership visibility</p>	<p>Mar 25</p>	<p>At least 70% of staff would recommend their manager for a manager of the year award within 1 year of back to the floor sessions</p> <p>Customer relations problem resolution timeframes are reduced by 50%</p> <p>50% more staff feel their managers understand their work and trust them to make the right decisions and escalation of decision making is reduced by 60% creating more efficiency</p>	<p>CPO</p>	
<p>Review leadership offer for senior leaders and ensuring individual and collective needs are being addressed. Ensure all leaders have a back to the floor plan and are executing consistently</p>	<p>Leadership visibility and compliance</p>	<p>Mar 25</p>	<p>30% or more of staff express that they are engaged in more sharing of best practice with other colleagues at a cross level or cross directorate level</p> <p>50% or more of our partners have been asked for feedback on our partnership working</p> <p>50% more residents feel that we are spending more time understanding their needs and collaborating for solutions</p> <p>All internal projects consider direct or indirect resident implications/impact as part of their scope</p>	<p>CPO</p>	
<p>Continue to build software capability to optimise mentoring and coaching offer</p>	<p>Develop efficient systems software to support coaching and mentoring</p>	<p>April 2024</p>	<p>100% of internal staff promoted to management and senior leadership roles will be assigned a mentor/coach immediately following promotion offer commencing April 2024.</p> <p>100% of staff that are considered high potential or being considered as a possible successor will be assigned a coach/mentor commencing second quarter of 2024</p> <p>100% of new starters will be offered a buddy as informal mentor commencing April 2024</p> <p>At least 80% of staff participating in a mentoring and or coaching programme report more confidence in their job performance, increased productivity, and feel more capable</p>	<p>CPO</p>	

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				60-80% of participants will have the ability to select a mentor of their choice that most satisfies their requirements and is available.		
	Review, maintain development programmes as needed	Evaluation of impact of development programmes	Mar 25	100% of programme offerings will be aligned to critical business needs	CPO	
	Continue to roll out development programmes for middle managers: • Stepping into leadership	Leadership and management development	Mar 25	80% of participants report an increased confidence in their ability to handle senior leadership responsibilities three months post programme completion. Demonstrate the program's impact on career development and progression evidenced by 70% of participants transition into or express interest in senior roles within one year of completing the program.	CPO	
	Implement development programmes for all staff aspiring for future managerial positions managers: • Aspiring managers • Management Foundations	Management development	Mar 25	All middle managers will complete a skills audit by the first quarter of 24/25 working in partnership with an external provider All managers will have completed all core and essential management skills programmes by second quarter of 2024 reflecting outcomes of skills audit	CPO	

Pillar	Action	Activity	Delivery Date	Measures of success	Lead	RAG
EDI	Approval and corporate implementation of equalities strategy actions	Workforce equality actions	Mar 25	The EDI Board will monitor and scrutinise the delivery of the equalities action plan and will hold all operations to account	CPO	
	Ensure council-wide responsibility for delivery of the equality strategy	Embed improved workforce equalities and diversity				
	Refresh & resocialise our values embedding within all leadership, performance frameworks and strategies	Conduct surveys before and after the values refresh to measure changes in employee perception and alignment. Implement regular pulse surveys to gauge ongoing staff sentiment regarding the integration of values. Analyse performance appraisal data to assess how well employees are		The business value of refreshing and resocializing organisational values lies in creating a more engaged, aligned, and adaptable workforce, ultimately contributing to improved performance, customer satisfaction, and long-term organisational success. CMT members to commit to be a champion for at least one value once agreed in March 2024.	CPO	

People Culture Transformation Action Plan

	<p>aligning their actions with organisational values. Monitor team productivity and collaboration metrics to gauge the impact of values on collective performance. Track changes in attrition rates to assess whether the refreshed values contribute to improved staff retention. Assess the quality of new starters and the organisation's ability to attract talent that resonates with the refreshed values. Monitor customer satisfaction scores to understand the impact of values on resident perceptions Track the number and nature of resident complaints to identify any misalignments with our values. Evaluate the success of change management initiatives by assessing how well our values supported adaptability. Innovation Metrics::</p>		<p>Roles and responsibilities of a Value champion to be developed and agreed by CMT by March 2024</p> <p>At least 70% of staff feel a sense of belonging and commit to meet our staff engagement goals within six months of socialisation of the new values</p> <p>60% or more of staff say that their senior managers (HOS & above) role model the behaviours expressed by our values and they trust them to make the right the decisions for the organisation</p> <p>60% or more of residents trust senior leaders (directors and above) to make the right decisions for them</p>		
<p>Continue to refresh processes to keep recruitment skills current</p>	<p>Developing community links and access programmes for residents</p>	<p>Mar 25</p>	<p>Experience of recruitment and selection is expressed as inclusive and values based by new hires and participants in internal promotions</p> <p>Trained panellists skills will be updated and refreshed annually or as required to ensure confidence in currency of knowledge and skills</p>	<p>CPO</p>	
<p>Deliver staff engagement safe space mechanisms to hear, support & respond, to the voice of staff:</p> <ul style="list-style-type: none"> • Expand 'Tea Breaks' concept • Staff Networks • Staff road shows for front line staff • Quarterly Staff Engagement survey/, temperature /pulse checks • introduce a new safe space process developed by Race Equalities Matters • Launch a shadow CMT offer • Evaluate Equalities & Values change champions within Directorates 	<p>Employee engagement</p>	<p>Mar 25</p>	<p>CMT and other senior leaders will commit to attend either on a rotating basis or as a collective 100% of 'Tea Breaks', and other online safe space activities</p> <p>Achieve 60% or higher staff engagement in staff temperature/pulse checks.</p> <p>All 8 staff network chairs say that barriers and or concerns that impede their members from fully participating in work life are addressed in a timely way</p>	<p>CPO</p>	

People Culture Transformation Action Plan

				At least 90% of staff in each Directorate feel confident to approach their corporate director and/or directors to have a conversation and or share ideas		
	<p>Deliver positive action leadership for racialised, minoritised and women staff expand to disability leadership mostly at frontline level :</p> <p>Global majority:</p> <ul style="list-style-type: none"> Launch cohort 2 'Black on Board' programme' offered by Olmec for minoritized employees, especially colleagues in entry / front line roles Roll out Reciprocal Mentoring for all levels of leadership & management <p>Women in Leadership Level 3 & 5 apprenticeships: Launch cohort 2 apprenticeships</p> <ul style="list-style-type: none"> Explore an introduce Leadership offers for staff with disabilities <p>All: Participation in shadow CMT</p>	Positive action talent development	Mar 25	10% increase in representation at leadership levels at grade 15 and above among global majority, racialised minorities, and other underrepresented groups	CPO	

Pillar	Action	Activity	Delivery Date	Measures of success	Lead	RAG
Health and Wellbeing	<ul style="list-style-type: none"> Health and wellbeing actions are implemented and evaluated. Monitor health and wellbeing trends. Regularly review rate of usage of EAP Assess impacts of Guardian programme <ul style="list-style-type: none"> Pursue LGC award for health and wellbeing Ensure all managers complete the Champions health and well-being programme <p>Ensure mechanisms are put in place to understand the needs of our satellite offices and areas not part of the main BWH centre</p>	Improving workforce wellbeing	Mar 25	Sickness absence rates from all categories such as mental illness, stress etc.	CPO	

Pillar	Action	Activity	Delivery Date	Measures of success	Lead	RAG
Skills and Performance	<p>At start of financial year introduce a new performance management & appraisal system</p> <ul style="list-style-type: none"> Develop/pilot skills pathways for priority and/or scarce roles Increase promotion of Utilising Apprenticeship levy to support development 	<p>Improving performance</p> <p>Skills Pathway design developed Skills Pathway</p>	Mar 25	<p>20% or more reduction in penalty costs due to breaches in compliance to our statutory, legal and/or regulatory obligations</p> <p>100% of staff have completed all mandatory modules</p> <p>At least 90% of new starters participating in an induction programme after one year feel they had a positive onboarding process and would</p>		

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Review compliance for mandatory training for all staff and managers and monitor and report through our learning management system			<p>recommend their friends and family to croydon council.</p> <p>Council staff adopt a customer centric approach to service delivery and 60% of residents participating in a resident survey report an increase in satisfaction rates with their interactions with the council six months post council wide customer services training.</p> <p>Croydon council has a pool of internal diverse staff and managers with the right knowledge, skills and capabilities to respond to the changing landscape and current needs of the council and residents resulting in a reduction of external recruitment costs and retention of key resources one year and beyond priority skills training.</p> <p>Improvement in overall digital literacy and adaptability within the workforce and with residents resulting in enhanced positive customer relations management six months post skills update.</p>		
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Pillar	Action	Activity	Delivery Date	Measures of success	RAG
Pay and Reward	<ul style="list-style-type: none"> Simplify approach to job design New Job description and person specification launched <p>Recognition:</p> <ul style="list-style-type: none"> Develop recognition toolkit for managers to use 	Improve job design and evaluation	Mar 25	<p>Recruitment complexities and timeframes are reduced by at least 25% according to hiring managers.</p> <p>100% new starters say they have clarity and understanding of the expectation of their roles and responsibilities from the outset.</p> <p>At least 40% of staff say they are able to readily map their skills with organisational needs fostering a positive sense of purpose and alignment with career goals.</p> <p>10% or more reduction in turnover rates and the retention of valuable talent .</p> <p>At least 60% of staff say they feel valued for their contributions.</p> <p>Co-create with staff a set of design principles for a pay and total rewards programme by end of the first quarter 2024</p> <p>At least 70 % of new starters cite that the total pay and reward is competitive and contributed to their</p>	

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				<p>interest in working for the council by the further quarter of 24/25</p> <p>Current staff cite their total pay and reward as a motivation factor in remaining with the council commencing post implementation of the new total pay and reward package</p>	
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Pillar	Action	Activity	Delivery Date	Measures of success	Lead	RAG
Attraction and Retention	Introduce Values Based Recruitment	VBR overview developed Research and approach to introduce VBR reconsideration VBR Managers' Training VBR Question approaches Rollout	Aug 23 Aug 23 Aug 24 Sept 24 Sept 24 Oct 24	<p>Values-Based Recruitment can create a positive ripple effect throughout the council, impacting culture, employee engagement, performance, and overall business success. It aligns the workforce with the company's mission and values, contributing to a harmonious and purpose-driven workplace and specifically drive the following indicators:</p> <p>10% reduction in exit reviews citing bullying and harassment as a key reason for leaving the council</p> <p>20% increase in the range of diversity candidates who apply and are successfully recruited to the council.</p> <p>New starters cite alignment of their values with the council's value as a reason to apply for a role</p> <p>At least 60% of staff who work with new starters recruited in a values based recruitment process experience these new starters living the councils values from onset contributing to a more positive workplace and a sense of community.</p> <p>At least a 50% decrease of staff vs staff grievances and improvements in teamwork and collaboration.</p>	Head of Recruitment Head of L&OD	

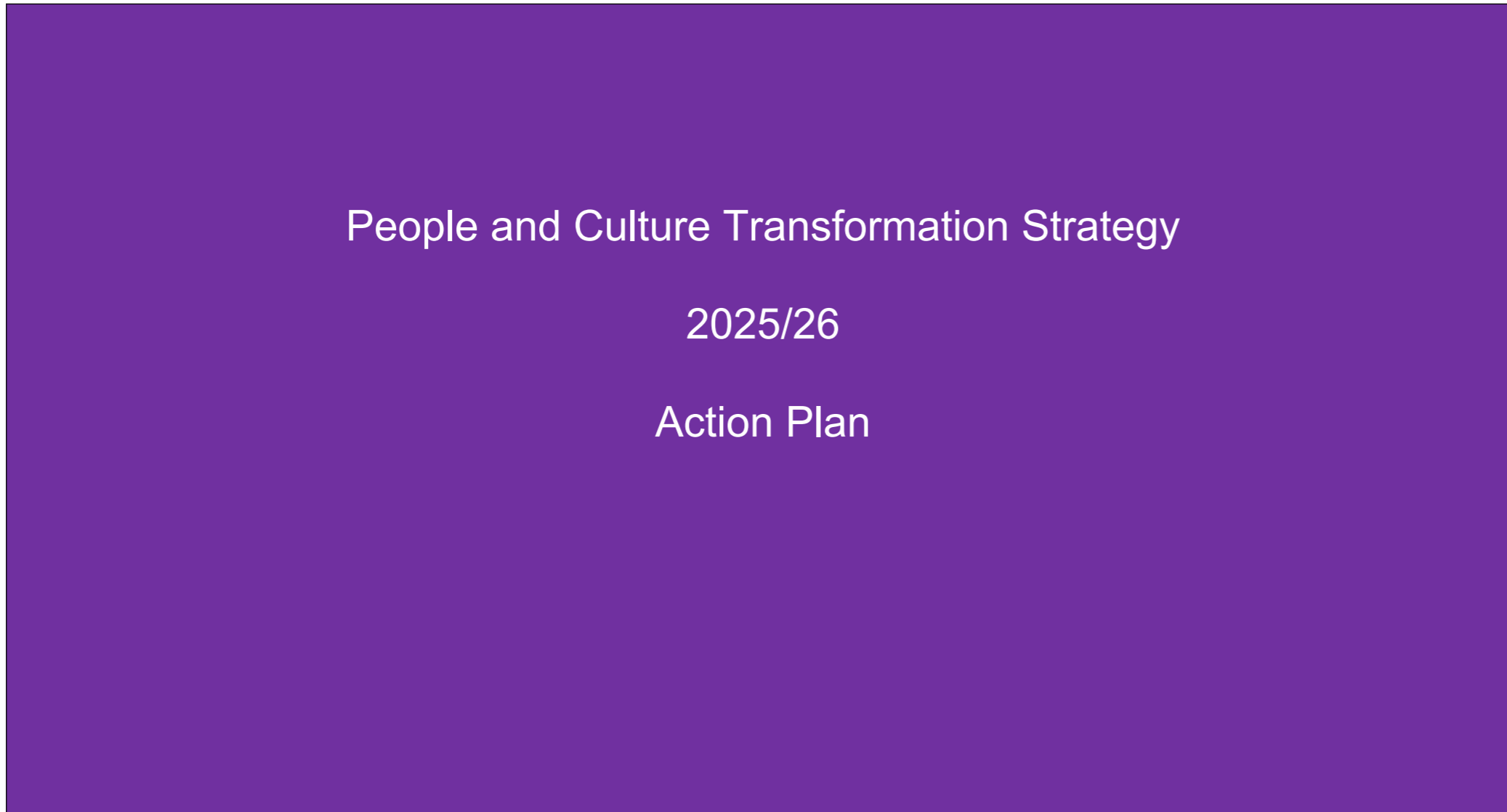
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			<p>Our external partners, customers and would recommend the council to their friends and family as a good place to work</p> <p>At least 20% retention of our top talent in scarce and hard to fill roles stay with the council for more than 2 years.</p>			
	<p>Establish a talent management strategy and plan and consider:</p> <ul style="list-style-type: none"> Pilot systemic approach to skills/career pathing in one directorate <p>(1) Establish and promote internally first principle/practice where possible (3) Introduce succession planning Develop/pilot career pathways for priority and/or scarce roles</p>	<p>Research and co-creation of talent management strategy Consultation approaches with staff networks and trade unions Development of workforce planning succession planning approaches and tools Training for managers on workforce planning approaches Roll out of workforce planning approaches</p>	Mar 25	<p>Implementing a talent management strategy with a focus on internal promotions, succession planning, and career pathways not only contributes to cost savings and efficiency but also enhances employee engagement, talent readiness, organizational agility, and overall employer brand and reputation. These initiatives are integral to building a resilient and forward-looking workforce we will focus on the following KPI's:</p> <p>10% or more retention of our best talent</p> <p>Less than 10% cite lack of internal opportunities to grow as a reason for leaving the council in exit interviews.</p> <p>10% reduction in downtime, disruptions, and maintenance of operational efficiency to fill vacancies.</p> <p>At least 60% of staff cite that understanding their career paths and opportunities shows the council is commitment to invest in them and therefore a key motivator to continue to remain as part of the council's workforce</p> <p>25% of scarce and priority roles will have a career path established ensuring current and future skills are developed proactively</p>	Head of Learning & OD	
	<p>Introduce Workforce planning to more accurately project future staffing and skills needs</p>	<p>Corporate Planning on skills and resources and skills mapping</p>	Mar 25	<p>Agile workforce that can meet current and future capabilities required for transformation</p>	<p>CPO Director of Transformation Heads of HR Directorate Leads</p>	

Pillar	Action	Activity	Delivery Date	Measures of success	RAG
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Employer Brand	Pursue organisational accreditations which develop our aspirational brand which may include: <ul style="list-style-type: none"> • Revamp organisational presence and experience on all marketing media • Consider third sector to see how they can work with us to create an enabling relationship. 	Improve brand image through external accreditation.	April 24	Achievement of 'Excellent' in Good work standards	
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Pillar	Action	Activity	Delivery Date	Measures of success	Lead	RAG
Leadership and Management	Conduct a culture audit to identify our progress against cultural vision and targets: <ul style="list-style-type: none"> • Address gaps 	Improving and measuring cultural transformation	Commencing April 2025	All staff know, understand the council's vision and at least 80% of them model customer centric behaviours by fourth quarter of 25/26	Head of Learning and OD	

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			<p>Wherever there is a decision that allows residents a choice in service provision they are invited 100% of the time to co-create the outputs with the council</p> <p>At least 80% of our service delivery provision has resident representation in its design.</p> <p>The council partners with appropriate external agencies to deliver services that they can deliver more effectively</p> <p>Multi-channels for reaching our customers are established and deployed as part of business as usual</p>		
Introduce 360-degree management development tool for appraisals for Heads of Service	Improve appraisal and performance management	April 25	<p>Service delivery outcomes consistently meet or exceed expectations of customers, residents and partners.</p> <p>Budgets are managed effectively with no over spends 60% or more of service delivery teams report that they work in an inclusive and supportive environment and have the tools to perform their roles effectively.</p>	Head of Learning & OD	
Continue management and leadership network forum events/conferences to continue to develop/hone transformation capability	Improving leadership and management capability	April 25	30% more cross-directorate projects and sharing of best practices and lessons learned	Head of Learning & OD	
Directorates continue to increase visibility of leaders through back to the floor sessions, road shows, recognition events with staff to increase visibility and build trust in leadership	Improve leadership visibility	April 25	50%+ of staff surveyed identify that leaders are visible	Head of Learning & OD	
Evaluate impact of leadership development offers and continuously improve as required to respond to transformation initiatives	<p>Conduct assessments after leadership development programmes to measure the impact on participants' skills and behaviors.</p> <p>360-Degree Feedback: Use multi-source feedback mechanisms to gather insights from peers, subordinates, and supervisors to provide a comprehensive view of leadership impact.</p> <p>Implement surveys and focus groups to gather feedback from participants, identifying areas for improvement.</p>	Mar 26	<p>By continuously evaluating and improving leadership development initiatives, the organisation ensures that its leaders are well-equipped to lead through transformation, fostering a culture of adaptability, innovation, and sustained success. This approach aligns leadership capabilities with organisational goals, contributing to a resilient and forward-thinking council. We will focus on:</p> <p>80% or more of leaders at all levels demonstrate the necessary competencies in their designated role and level to navigate transformation challenges effectively one year post participation in a leadership programme.</p> <p>Up to 60% of staff rate their leaders with people management roles as competent</p>	Head of Learning & OD	

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	<p>Integrate real-time feedback tools to capture immediate insights, allowing for quick adjustments as needed.</p> <p>Leverage data analytics to analyse trends, correlations, and patterns in leadership development impact</p> <p>Compare leadership development outcomes against industry benchmarks to identify areas of strength and areas needing improvement.</p> <p>Identify a dedicated resource(s) responsible for analysing evaluation data and implementing improvements.</p> <p>Acknowledge and celebrate the successes and positive impacts of leadership development, reinforcing its importance in the council</p> <p>Communicate the outcomes of evaluations transparently, demonstrating the councils' commitment to improvement</p>		<p>and compassionate reinforcing the values that support transformation.</p> <p>:</p> <p>.</p>		
<p>Evaluate effectiveness of senior leaders via 360, and temperature checks. Review impacts of more visibility and refresh offer</p>	<p>Improving leadership including visibility</p>	<p>Mar 26</p>	<p>CMT and directors consistently provide clarity of the future direction of the council and how it will impact their staff with 50%+ of staff surveyed providing positive confirmation 50% + of staff surveyed state leaders create an inclusive workplace where all staff are able to do their best work without fear of negative consequences</p>	<p>Head of Learning & OD</p>	
<p>Ensure council-wide access to mentoring and coaching opportunities as a development tool</p>	<p>Develop clear guidelines for mentoring programmes</p> <p>Communicate matching Process:</p> <p>Provide training for Mentors and Mentees:</p> <p>Program Oversight: Assign a coordinator to oversee the mentoring programme, providing ongoing support</p>	<p>Mar 26</p>	<p>Council-wide access to mentoring and coaching opportunities cultivates a dynamic and empowered workforce, contributing to long-term success and resilience in the face of evolving challenges, specific KPIs:</p> <p>80-100% retention of critical organisational intelligence when key gate keepers leave the organisation.</p> <p>Coaching is offered to high potential talent to develop future leadership pipeline and</p>	<p>Head of Learning & OD</p>	

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		and addressing any issues that may arise. Promote programme Gain support from senior leadership to endorse and actively participate in mentoring, setting a positive example for the rest of the organisation. Feedback and Continuous Improvement: Ensure the programme remains adaptable to changing organizational needs and priorities.		increase retention and mitigating succession risks 60% or more increased collaboration across different directorates, breaking down silos and promoting a more integrated organisational culture.		
	Evaluate effectiveness of the development programmes.	Improving workforce capacity and capability	Mar 26	80% of programme participants evaluate them as having a positive impact on personal development	Head of Learning & OD	
	Evaluate take up and effectiveness of the development programmes	Improving workforce capacity and capability	Mar 26	80% staff when surveyed report positively about personal development	Head of Learning & OD	

Pillar	Action	Activity	Delivery Date	Measures of success	Lead	RAG
EDI	Continue to monitor and evaluate local delivery of equality actions	Improving workforce EDI	Mar 26	80% staff report positively regarding workplace equality, diverse and inclusive	Head of Learning & OD	
	Temperature check to evaluate our adoption of our values and reinforce any gaps using a variety of levers • Ensure values embedded into all people processes, systems including recruitment,	Values audit as part of temperature check, staff survey	Mar 26	Turnover of staff especially those in key roles in the council is stable and below 10%	Head of Learning & OD	
	Look to evaluate the overall impact of the diverse panels and whether there has been any quantitative or qualitative data on our shortlisting and screening processes. Do staff feel our recruitment processes are fairer as a result of using the panels. Are we using them consistently	Survey trained panellists, new starters and those newly promoted	Ongoing since 2022, reported to EDI Board	At least 90% of new recruits whether internal or new to the council feel their recruitment process was positive, fair and free of bias	Head of Recruitment	

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Pillar	<p>Continue to implement and evaluating effectiveness and impacts of all safe space and change agent mechanisms:</p> <ul style="list-style-type: none"> • Deliver staff engagement safe space mechanisms to hear, support & respond, to the voice of staff: • Expand 'Tea Breaks' concept • Staff Networks • Guardians programme • Staff road shows for front line staff • Deliver Quarterly Staff Engagement survey/, temperature /pulse checks • Launch a shadow CMT offer • Evaluate Equalities & Values change champions within Directorates 	Develop new programmes to respond to changing needs. Expand topic areas to have conversations on difficult subjects	Up to Mar 26	<p>Staff say they trust their senior leaders to do the right things for the council: -</p> <p>50% + staff say that senior leaders role model the council's values most of the time</p> <p>25% of staff participate actively in one or more staff engagement activities designed to get their feedback</p> <p>10% or more increased contributions to external social value activities</p>	Head of Learning & OD	
	<p>Continue to offer, evaluate and expand positive action leadership programmes for global majority, women:</p> <p>Global majority:</p> <ul style="list-style-type: none"> • Launch cohort 3' Blacks on Board' programme' in partnership with Olmec for minoritized employees, especially colleagues in entry / front line roles • Leadership programmes for those with a disability <p>Women's Leadership: Level 3 & 5 apprenticeships: Launch cohort 3 apprenticeships</p> <p>All: Participate in shadow CMT</p>	Monitor and evaluate effectiveness of programmes and progress of participants	Up to Mar 26	<p>20% increase in representation at leadership levels at grade 15 and above among global majority, racialised minorities, and other underrepresented groups</p> <p>A 2% reduction in pay gaps at grade 15 and above among underrepresented groups</p> <p>20 more internal promotions of women who are participating or have completed the Raising the Bar apprenticeship programme</p>	Head of Learning & OD	

Pillar	Action	Activity	Delivery Date	Measures of success	Lead	RAG
Health and Wellbeing	<p>Review Wellbeing passports</p> <ul style="list-style-type: none"> • Pursue London Healthy Workplace Award <p>Monitor improvements of health and wellbeing-outcome 3 of our equality strategy</p>	Improve workforce wellbeing	Implemented in 2023 and monitored to Mar 26	<p>The health and wellbeing of the council's staff is a key feature in appraisal conversations</p> <p>80% of staff say they have a balanced work/life balance.</p> <p>Managers have the tools and are equipped to recognise respond/sign post staff to</p>	CPO	

Pillar	Action	Activity	Delivery Date	Measures of success	Lead	RAG
Skills and Performance	<ul style="list-style-type: none"> • Continue to develop skills. Pathways established for all roles • Review and refresh our Appraisal – Review/embed approach 		2 nd quarter of 25	<p>80% + staff report that the appraisal process is fair and bias free</p> <p>80% + of staff state the appraisal process serves both as a</p>	Head of L&OD	

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	<ul style="list-style-type: none"> A corporate hybrid, experiential onboarding and induction programme is in place and accessible to all staff 			developmental and a performance management role 80% + onboarding experience of new starters enriches their job satisfaction		
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Pillar	Action	Activity	Delivery Date	Measures of success	Lead	RAG
Pay and Reward	<ul style="list-style-type: none"> Evaluate the impact of new JD on employee experience Offer opportunities to celebrate our success 	Improving pay and reward design to simplify	April 2025	Simplifying job design and launching new job descriptions and person specifications can improve operational efficiency and recruitment processes, enhanced employee engagement, satisfaction, and talent retention. It sets the groundwork for a more structured and effective workforce management approach.	CPO	

Pillar	Action	Activity	Delivery Date	Measures of success	Lead	RAG
Attraction and Retention	<ul style="list-style-type: none"> Workforce planning and succession planning is introduced Develop/pilot systemic approach to career development in Establish internal talent pipeline for succession planning Evaluate how we are doing on promoting talent and increasing job mobility internally	Improve workforce progression, capability and capacity	4 th quarter 25/26	A pipeline of skilled and experienced individuals are ready to step into leadership positions when needed. Policy of recruiting internally first is developed and implemented by third quarter 25/26 20% reduction in recruitment cost once we establish a promote internally first as a principle 60% of vacant senior management roles are filled internally and must reflect our representation goals across protected characteristics	CPO	
	Embed our talent management action plans which include: <ul style="list-style-type: none"> Develop/deploy talent pools to be deployed as required to meet resource needs Rollout career pathways across scarce roles 	Improve talent development	4 th quarter 25/26	Talent pool of skilled resources exist to be tapped into as required to meet business demands Agility to respond to skill capability and capacity needs of the council	Head of Learning & OD	
	Continue to develop pipelines to address skills shortages	Partner with local universities, CALAT	4 th quarter 25/26	A variety of pipelines are created with external institutions to develop scarce	Head of Recruitment	

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				<p>skills ie. Planners, social workers</p> <p>Critical pipelines are functioning and producing skills required to perform effectively by first quarter of 2028</p> <p>Reduce timeline to acquire resource required to fill key roles by third</p>		
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Pillar	Action	Activity	Delivery Date	Measures of success	Lead	RAG
Employer Brand	<ul style="list-style-type: none"> Continue to pursue accolades and employer of choice ranking awards 	Enhancing the council's employer brand via external accreditations	Third quarter 2026	<p>Croydon is ranked in the top 300 of employers to work for in the public sector</p> <p>Croydon council is ranked in the top 300 of employers to work for by Stonewall</p>	CPO	