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Scrutiny Streets & Environment Sub-Committee Agenda

To: Councillors Councillor Ria Patel (Chair), Councillor Amy Foster (Vice-Chair), Simon Brew, Danielle Denton, Christopher Herman, Mohammed Islam and Luke Shortland

Reserve Members: Adele Benson, Samir Dwesar, Sean Fitzsimons, Simon Fox, Eunice O'Dame, Ellily Ponnuthurai and Esther Sutton

A meeting of the **Scrutiny Streets & Environment Sub-Committee** which you are hereby summoned to attend, will be held on **Tuesday, 14 March 2023** at **6.30 pm** in **Council Chamber, Town Hall, Katharine Street, Croydon CR0 1NX**

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

Tom Downs
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www.croydon.gov.uk/meetings
Monday, 6 March 2023

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AGENDA – PART A

1. **Apologies for Absence**

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

2. **Minutes of the Previous Meeting** (Pages 5 - 16)

To approve the minutes of the meeting held on 31 January 2023 as an accurate record.

3. **Disclosure of Interests**

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

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. **Waste, Recycling and Street Cleansing Contract Specification** (Pages 17 - 28)

For the Sub-Committee to receive a presentation on the Specification for re-procurement of the Waste, Recycling and Street Cleansing Contract.

6. **Cabinet Report - Local Planning Authority Service Transformation** (Pages 29 - 120)

For the Sub-Committee to scrutinise the Cabinet report covering the draft Planning Transformation Programme structure, including the programme's six workstreams, future governance and next steps. To receive a presentation on the above, the findings of the PAS review and the Council's responses to its recommendations, to allow the Sub-Committee to feed into, and influence, the Transformation Programme.

7. **Period 8 Financial Performance Report** (Pages 121 - 164)

The Sub-Committee is asked to scrutinise the information provided with a view to considering whether it is reassured about the delivery of the 2022-23 Sustainable Communities, Regeneration & Economic Recovery Budget.

8. **Scrutiny Work Programme 2022-23** (Pages 165 - 170)

The Streets & Environment Sub-Committee is asked to: -

1. Note the most recent version of its Work Programme, as presented in the report.

2. Consider whether there are any other items that should be provisionally added to the work programme as a result of the discussions held during the meeting.

9.   **Exclusion of the Press and Public**

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

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

PART B

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Scrutiny Streets & Environment Sub-Committee

Meeting held on Tuesday, 31 January 2023 at 6.30 pm in Council Chamber, Town Hall, Katharine Street, Croydon CR0 1NX

MINUTES

Present: Councillor Ria Patel (Chair), Councillor Amy Foster (Vice-Chair), Simon Brew, Danielle Denton, Christopher Herman, Mohammed Islam and Luke Shortland

Also Present: Councillor Scott Roche (Cabinet Member for Streets and Environment)
Councillor Jeet Bains (Cabinet Member for Planning and Regeneration)

PART A

1/23 **Minutes of the Previous Meeting**

The Part A and Part B minutes of the meeting held on 8 November 2022 were agreed as an accurate record.

2/23 **Disclosure of Interests**

Councillor Foster explained to the Sub-Committee that they worked for a charity that campaigned for 'everyday walking', and that this was already included in their register entry.

3/23 **Urgent Business (if any)**

There were no items of urgent business.

4/23 **Budget Scrutiny Challenge**

The Sub-Committee considered a report set out on pages 17 to 26 of the agenda, which provided specific proposals on the following 2023/24 budget areas: Parking Services; Planning Services; and Building Control. The Sub-Committee went on to review these proposals to determine whether they were resilient and sustainable, and whether they had been fairly prioritised. The Corporate Director of Sustainable Communities, Regeneration and Economic Recovery (SCRER) introduced the item and summarised the report.

Parking Services

Members noted the revised 23/24 budget figures for parking and asked how these had been calculated. The Director for Sustainable Communities informed Members that analysis had been carried out, alongside benchmarking activities on income streams with neighbouring boroughs, to ascertain the correct figures to right size the budget. The Sub-Committee asked specifically about Automatic Number Plate Recognitions (ANPR) cameras and Penalty Charge Notices (PCNs), and the possibility that residents were better complying with regulations in the current economic environment. Members heard that resident behaviour had changed significantly over COVID and this had been studied to identify trends, which had been fed into the budget setting process. The Director of Sustainable Communities explained that there was a detailed model to track the issuing of PCNs across the borough; this had identified a downturn in numbers, which had informed the revised budget figures. The Vice-Chair asked about the numbers of residents visiting the Town Centre, and whether this had reduced or if travel habits had changed. The Director of Sustainable Communities explained that this was difficult to track but what had been seen was a downturn in income from Pay and Display with a similar amount of transactions, but for shorter parking periods. The Corporate Director of SCRER explained that differences in working trends, with an increased prevalence of hybrid working, had also contributed to a downturn in commuter traffic and related parking income.

The Sub-Committee asked if there were currently an appropriate number of Civil Enforcement Officers to maximise parking income and enforce traffic regulations. The Director of Sustainable Communities explained that it was currently difficult to recruit to Civil Enforcement Officer posts, and agency workers were being used to fill gaps in the service; other London boroughs were being engaged to see if this was a wider trend and to ascertain if there were different options to tackle the recruitment shortfall. Members asked if this was a wider issue than just Croydon, and heard from the Head of Highways & Parking Services that some other boroughs were using different delivery models, such as outsourced enforcement companies, but these were also often resorting to the use of agency staff to fill vacancies.

Members asked if ANPR schemes were working as predicted and if they were making predicted income targets. The Corporate Director of SCRER explained that there had been delays to the implementation of these schemes over the last 18 months that had affected income collections; there had been two elections over this period that had caused delays to decision making, in addition there has been some delays in the mobilisation of the contracts and with getting the functionality of the cameras in place. The Director of Sustainable Communities added that Transport for London (TfL) funding arrangements had been chaotic over the COVID period, which had caused delays to delivery of the Local Implementation Plan (LIP) programme; it was stated that confirmation of funding for 2022/23 had only been received in October 2022. The Sub-Committee asked if established schemes were collecting income and the Director of Sustainable Communities explained that

there are number of sites that are working but not all of the sites are live. There was a programme of delivery in place for ANPR schemes with the contract, and this was reviewed weekly with the contractor.

The Sub-Committee asked how much of the borough was covered by Controlled Parking Zones (CPZs), and how this compared with other London boroughs. The Head of Highways & Parking Services explained that around 34% of the borough was covered by CPZs; data on this was submitted to TfL on an annual basis, but data from 2021/21 covering other boroughs had not yet been collated by TfL and provided for analysis. Members heard that the Parking Transformation policy would be looking at how effectively CPZs were managing the kerbside and whether further measures were needed in areas of intensified development. In response to questions about where CPZs featured most prominently, the Sub-Committee heard that CPZs were established in areas, such as the Town Centre and District Centres, where parking demand was most in conflict with parking stress. Members asked what consideration was given to the establishment of CPZs linked to public transport accessibility levels; the Head of Highways & Parking Services explained that they did not have this information to hand, but could provide it outside of the meeting.

The Vice-Chair asked about the lack of adjustment for figures on 'Suspension Payments' and whether there had been consideration of opportunities for extra income that could be earned through provision of street markets. The Director of Sustainable Communities explained that there was uncertainty about the levels of income that could be generated through these kind of special events, and that this income was generally collected through utility company infrastructure work. Members heard that the Director of Sustainable Communities was comfortable that the provided figure was sustainable, and that any additional income would be fed back into the parking budget.

The Chair asked how confident officers were that the adjusted budget figures for 2023/24 were resilient. The Corporate Director of SCRER explained that they felt the figures were based on strong analysis of data, but that there were always risks with parking budgets, as they needed to reflect resident behaviours, which had changed and could change again, and macro-economic conditions. There had previously been assumptions that parking accounts could be increased with inflation year-on-year, but this had been dispelled across all local authorities. The Chair asked about any other specific risks to delivery of the budget, and the Corporate Director of SCRER explained that the biggest risk mitigation was the upcoming review of Parking Policy, which would ensure the Council was adjusting the way it thought about the various parking elements in line with changing trends. The Director of Sustainable Communities explained that increased compliance was a risk that could lead to reduced income, in addition to the difficulties in recruiting Civil Enforcement Officers that may mean different operating models needed to be considered.

The Chair asked about consultation on the new Parking Policy, and the Head of Highways & Parking Services explained that specialist consultants had

been contracted to write the policy with collaboration from internal stakeholders on project boards. A draft of the Parking Policy would be reported to Cabinet in summer 2023, and following this residents would be engaged and consulted. Members raised concerns that raising parking fees too much could drive residents to district centres outside of Croydon, or to travel by public transport, which could reduce income further. The Director of Sustainable Communities explained that Parking Policy was meant to manage road space, and cover its own costs, but was not intended as a 'cash cow'; any surplus income from parking charges were used for traffic related activities.

The Chair asked about objectives around innovation and technology in the current Parking Policy, and what current data collection methods were being used. The Director of Sustainable Communities explained that the industry was looking at open data through a single platform; the Council currently used 'RingGo' for parking payments, but there were pilots to use one national platform for this, which would produce consistent national data and a simplified and standardised payment method for customers.

The Vice-Chair commented that they felt robust resident engagement was absent in the current Parking Policy, and asked what was being done to embed this in the new policy. The Director of Sustainable Communities stated that consultation with communities was important, and that consultation and engagement on the new policy would take place. Members heard that there was a clear requirement in the Road Traffic Act for consultation and engagement on any new Parking Policy. The Vice-Chair asked about wider communications with residents, for example on Healthy Neighbourhoods, and how this could be done better. The Corporate Director of SCRER explained that often the pace of implementation as directed by other organisations, such as the Department for Transport and TfL, often made conducting the expected level of engagement difficult, but it was understood how important this was for any future schemes. Members heard that the Executive Mayor and Cabinet Members had been clear that good consultation and engagement on any future schemes were very important, with significant resource for 'Active Travel' schemes directed toward feasibility studies in 2022/23.

The Chair asked about the adjustment of £13.986m in the 2023/24 budget, and the Corporate Director of SCRER explained that this was covered in detail in the report and the Medium Term Financial Strategy update that had been submitted to Cabinet in November 2022.

Planning Service

Members asked if the fall in major planning applications was a local or national issue. The Director of Planning & Sustainable Regeneration explained that there were some suggestions that this was a national issue, but it was currently hard to say and depended on Inner or Outer London location; it was suggested that this likely was a result of the economic environment and rising construction costs. Members raised concerns that recent major planning applications could be fuelling rising house prices in the borough, and

suggested anecdotally that they were aware of rental prices rising as much as 20%, due to a large number of new one and two bed developments; it was asked if the Council should consider increasing the balance of three and four bed homes in Croydon. The Director of Planning & Sustainable Regeneration explained that there was not clear data to substantiate this, and that the Local Plan set out clear requirements for a mix of development; there was some degree of influence that Local Planning Authority had on this, but this was limited, and policy was intended to bring about a range of different applications.

The Sub-Committee asked how the Planning Service would tackle the backlog of applications, and heard that work on this had been ongoing for 12 months. Members heard that resources had been increased with additional officers and increased productivity through 'clearance weeks'. Officers had been refocussed on determining applications over and above other duties, as this was a statutory function, and this had been effective in significantly reducing the backlog and officer caseloads. As the backlog was reduced, a careful balance would be struck between determination of applications and engagement with the wider public and applicants.

Members asked why the 2022/23 fee income target had been set at a level that was unlikely to be achieved. The Corporate Director of SCRER explained that budgets were set before year-end, and often required adjustment. The Sub-Committee heard that there was often the inclination to increase fee income targets based on inflation that could lead to a mismatch between the target set and income achieved. Members asked what work was being done to ensure that fee income targets for 2023/24 were achievable, and the Corporate Director of SCRER explained that a piece of work, looking at current fee income, was being undertaken and was finding that that income was continuing to decrease due to reduced applications; work was being done to ascertain if further adjustments to budgets would be necessary.

The Sub-Committee asked if there was a staffing shortage in Planning Services. The Director of Planning & Sustainable Regeneration explained that this was a difficult question to answer, as application quantum changed all the time, and this was why the department was staffed by a balance of agency and permanent workers to respond to changes in demand. The backlog of applications was being tackled, but additional officers were always welcome as more time could be devoted to working on planning policy as well as engaging with applicants, the public and customers. The Director of Planning & Sustainable Regeneration stated that they felt the department currently had the correct number of case officers in light of the downward trajectory of applications, but that this would be kept under constant review. The Corporate Director of SCRER explained that there had been cuts to the service during the first Section 114 notice in 2020, but that it was often hard to justify increasing staff numbers in a department that was not meeting income targets and this did impact on other areas; for example, it was acknowledged that the Planning Enforcement team was significantly under resourced. The Cabinet Member for Planning and Regeneration explained that additional staff would always be welcomed, but efficiency, improvements to processes and IT

resources also needed to be correct and would be addressed through the Planning Transformation Programme to ensure the department was effective.

The Vice-Chair asked how the unstable national construction environment would affect the resiliency of the budget for 2023/24. The Corporate Director of SCRER explained that this would affect the appetite of developers, and minor applications from people wishing to improve/extend their homes. The upside of this was this it would mean the backlog of applications would be easier to clear, however, it was likely that income would continue to decrease.

Members commended the work done to reduce the backlog, and asked how applications had been prioritised. The Director of Planning & Sustainable Regeneration explained that the department tried to determine these in the order received, but different applications could take longer than others if processes were not followed correctly during submission or if not all information was provided. The Cabinet Member for Planning and Regeneration stated that they empathised with any cases left without determination a long period, and would look into any cases Members were concerned about.

The Chair asked how decisions were made on spending Community Infrastructure Levy (CIL) income. The Corporate Director of SCRER explained that decisions on CIL went through an officer governance process where it was decided what the CIL funding would be spent on, and following this, bids were submitted to an officer governance board to decide on individual projects; an annual statement was published detailing how CIL had been allocated and spent. The Sub-Committee asked how CIL unit prices were decided and measured, and the Director of Planning & Sustainable Regeneration explained that the CIL levy had been decided in 2013 through a viability appraisal in conjunction with other policy objectives. Members heard that the Director of Planning & Sustainable Regeneration felt this had been successful, but would be reviewed alongside the review of the Local Plan to ensure it continued to meet current policy objectives. The Sub-Committee asked if it would be considered that the CIL levy was used to encourage affordable housing, and any other housing stock the Council wished to encourage. The Cabinet Member for Planning and Regeneration stated that they were looking at how this was done in other boroughs to determine the best course of action for Croydon, and that a number of options were on the table. It was confirmed that reviewing the CIL levy sat under the Planning Transformation Programme.

The Chair asked about the timeline of the workstreams in the Planning Transformation Programme. The Corporate Director of SCRER explained that there would be a detailed Cabinet report on this and on the Planning Advisory Service (PAS) review of the service; the workstreams were identified in the paper at 4.21 and the Cabinet Report would include an action plan and timeframes. The Cabinet Member for Planning and Regeneration explained that the Transformation Plan did not sit in isolation, and ran alongside the rest of the transformation work in the Council. Members heard that the PAS review was extremely helpful as it gave specific points of improvement that were

needed in the Planning Service. Much of the transformation programme would be delivered over the next 12-24 months with the aim to deliver savings from 2024/25

The Vice-Chair asked about opportunities for regeneration and the development of brownfield sites in the review of the Local Plan. The Director of Planning & Sustainable Regeneration explained that changes to the spatial strategy included in the Local Plan would be consulted on with Members and residents; this also looked at regeneration. The Sub-Committee heard that regeneration priorities had been identified, taking into account the Mayor's Business Plan and the focus on district centres, the Town Centre and brownfield sites.

The Chair asked about any other key risks in the Planning Service and what mitigations were planned, or in place. The Corporate Director of SCRER explained that an uncertain external environment could lead to a further decline in applications and reduced income; work to ensure income targets and budgets were aligned to demand were ongoing to ensure that these remained achievable, but still presented risk. The Planning Transformation Programme was highlighted as a big opportunity for operational and reputational improvement, but it was explained that the possibility that this failed was a risk. The Director of Planning & Sustainable Regeneration explained that planning was highly political at both a local and national level; there was a changing national policy and legislative environment, and failure to adapt and respond to this was a key risk. Members heard that planning was becoming increasingly litigious, with increasing numbers of Judicial Reviews, which also presented reputational and financial risks.

Building Control

Members asked if private Building Control firms could be licensed in the borough to provide additional income revenue to the Council. The Director of Planning & Sustainable Regeneration explained that this was not possible and that the Building Safety Act meant the Building Safety Regulator would do this on a national level for surveyors and organisations; this would also include the Council's own service and surveyors.

The Sub-Committee asked how pan-London collaboration could impact the borough if other authorities turned to Croydon, who was already struggling. The Director of Planning & Sustainable Regeneration explained that Croydon was one of the few boroughs who was engaging neighbours to understand their resiliency as new proposals would likely require more collaboration. Members heard that it was important this was also done at a pan-London level through London Councils, to ensure there was resilience and collaboration across London in light of new proposals. The Sub-Committee were informed that there were proposals through the Local Authority Building Control and London District Surveyors' Association to ensure that London rose to the challenges of the Building Safety Act, but it was too early to say if the right pan-London approach would be put in place. A number of final proposals were still awaited from the Building Safety Regulator to see how

this would work. Croydon was seeking to position itself to ensure it had the correct level of surveyors and expertise in place.

The Chair asked how vacancies in the service would be filled, and whether the three new trainee staff would be sufficient, given they were not qualified surveyors. The Director of Planning & Sustainable Regeneration explained that the Council was always looking for surveyors, but this was very difficult given the disparity in pay and conditions between the public and private sector; market supplements, flexible working and strong training and development offers were being used to make Building Control positions attractive. Members learned there would now be five trainees instead of five, who would effectively be undertaking an apprenticeship; this was seen as a very positive effort to bring new people into the industry and rise to the challenge of the Building Safety Act.

The Vice-Chair asked about corporate risks of not having a resilient Building Control service. The Director of Planning & Sustainable Regeneration explained not having a resilient Building Control service was a key risk that commissioning of the iESE study and the Transformation work sought to manage and mitigate. The Chair asked about the three options considered in the report and whether one had been chosen. The Director of Planning & Sustainable Regeneration explained that these were all still being considered in more detail to decide on the most appropriate option for Building Control in the context of current restraints to recruitment and the new responsibilities in the Building Safety Act.

Members asked how the £300k savings figure from transformation had been calculated. The Corporate Director of SCRER explained that this was a target and was difficult to estimate as a delivery model had not yet been chosen; these figures would not be built in to budgets until a model had been decided, and were for 2024/25.

The Chair asked about the Resident Voice Internal Control Board, and heard from the Corporate Director of SCRER that this was one of a number of internal control boards set up in the Council to ensure good governance in response to the Reports in the Public Interest. The Resident Voice Internal Control Board was formed of officers and met to ensure good practise and processes were in place when engaging with customers.

The Chair asked if Equality and Diversity Impacts had been considered across three of the service areas considered. The Director of SCRER explained that where there were changes to budgets that impacted on groups with protected characteristics, Equality Impact Assessments (EQIAs) were undertaken, but the three areas in the report did not propose budget changes, and instead were about Transformation Programmes, and where this led to changes, then EQIAs would be conducted.

The Chair asked how the workloads, resiliency and wellbeing of officers was being considered. The Director of Planning & Sustainable Regeneration explained that considerations of these aspects was a core workstream in the

Planning Service Transformation. The Corporate Director of SCRER highlighted that the People Strategy had been approved at Cabinet in January 2023 and included detail on how all staff were supported through their employment at the Council. It was highlighted to Members that senior officers were conscious of the challenging environment for local government officers, with long days and high workloads. The Corporate Director of SCRER stated that a number of ways to support officers were in place, but this did not mean that it was not still a challenging environment.

Conclusions

The Sub-Committee thanked officers for the detailed report and responses to Members questions in the meeting.

The Sub-Committee acknowledged that adequate staffing and resourcing in all three department areas covered in the report was vital to ensure that there was sufficient capacity to deliver transformation plans alongside statutory duties.

The Sub-Committee were of the view that officers and Cabinet Members had a good understanding the risks in delivering the 2023/24 budget and that sufficient mitigations and risk management was in place.

The Sub-Committee acknowledged that difficulty in recruiting to posts across all three service areas impacted on service delivery.

The Sub-Committee were of the view that they would like to scrutinise how fee income targets were calculated at a future meeting.

Recommendations

The Sub-Committee recommended that recruitment and retention formed a key workstream in the transformation work taking place in all three areas, as it was felt this would be key to ensuring this could be delivered with sufficient capacity to also successfully engage with residents and stakeholders.

5/23   **Period 7 Financial Performance Report**

The Sub-Committee considered a report set out on pages 27 to 72 of the agenda that provided an upcoming Cabinet Report on Period 7 Financial Performance for Members to ascertain whether they are reassured about the delivery of the 2022-23 Sustainable Communities, Regeneration & Economic Recovery Budget. The Corporate Director for SCRER introduced the item.

Members asked about any new risks to delivering the 2022/23 budget since the Sub-Committee looked at the Period 5 report. The Director for Sustainable Communities explained that pressures in the budget and potential risks were

reviewed. Members heard that where risks where highlighted, these were monitored and adjusted as appropriate.

The Chair asked about the 'other risks' identified, and what these were. The Corporate Director of SCRER explained that these were contained in Appendices 4 and 5.

The Vice-Chair asked about the underspend projected for the Cycle Parking Capital programme; the Corporate Director of SCRER explained that they did not have this detail but would be able to provide it outside of the meeting.

The Chair asked about 'CIL substitution for General Fund expenditure' listed on page 35, and asked how this worked and what it covered. The Corporate Director of SCRER explained that this looked at using the Meaningful Local Proportion element of CIL; as part of this process, the infrastructure funding governance structure would be used to find services that were eligible.

The Chair comments on TfL stating that they were keen to fund capital projects that had a record of successful delivery; it was asked whether the Council pausing new project delivery created a risk that future bids would not be successful or that skilled staff would not be retained. The Corporate Director of SCRER stated that the DfT, Mayor of London and TfL had all been clear that when they funded travel schemes, that these must follow the guidance that they set out on engagement, scheme delivery and the circumstances on whether schemes could be delivered differently. Members heard that there was a risk that funding could be withheld if guidance was not followed or if schemes did not support the relevant transport strategy; as a result, there needed to be a balance between meeting local need and supporting these strategies.

6/23   **Cabinet Response to Scrutiny Recommendations**

On Recommendation 4, Page 76, the Vice-Chair asked why this had been partially accepted. The Director of Sustainable Communities explained that they were currently looking at the specifications for the new Waste Contract, which was using significant resource, and it was difficult to confirm whether budget would be available to fund a pilot scheme at this time.

7/23   **Scrutiny Work Programme 2022-23**

The Sub-Committee noted the report.

The meeting ended at 8.13 pm

Signed:

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Date:

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LONDON BOROUGH OF CROYDON

REPORT:	Streets & Environment Sub-Committee
DATE	14 March 2023
REPORT TITLE:	Waste, Recycling and Street Cleansing Contract Specification Presentation
LEAD OFFICER:	Nick Hibberd - Corporate Director of Sustainable Communities, Regeneration & Economic Recovery Steve Iles - Director of Sustainable Communities
PERSON LEADING AT SCRUTINY COMMITTEE MEETING:	Steve Iles - Director of Sustainable Communities
LEAD MEMBER:	Councillor Scott Roche Cabinet Member for Streets and Environment
ORIGIN OF ITEM:	This item was included on the Streets & Environment Sub-Committee Scrutiny Sub-Committee Work Programme for 2022/23 following the item 'Cabinet Report - Waste Collection and Street Cleansing Contract' received at the 8 November 2022 meeting.
BRIEF FOR THE COMMITTEE:	The Streets & Environment Sub-Committee is asked to receive a presentation on the specification for re-procurement of the Waste, Recycling and Street Cleansing Contract.
PUBLIC/EXEMPT:	Public

1   WASTE, RECYCLING AND STREET CLEANSING CONTRACT SPECIFICATION

1.1   The Streets & Environment Scrutiny Sub-Committee has asked to receive an update on the Waste, Recycling and Street Cleansing Contract Specification. This follows the Sub-Committee meeting on 8 November 2022 which looked at the item 'Cabinet Report - Waste Collection and Street Cleansing Contract'.

1.2   The Sub-Committee concluded at this meeting that it would continue to scrutinise the re-procurement process for this contract.

1.3   A presentation on the Waste, Recycling and Street Cleansing Contract Specification will be provided by officers at the Sub-Committee meeting which will update

Members on what has taken place since November 2022, and the proposed timeline up to 2025.

2   APPENDICES

2.1   Appendix 1: Waste, Recycling and Street Cleansing Contract Specification Presentation

3   BACKGROUND DOCUMENTS

3.1   None

Scrutiny Briefing 14 March Waste, Recycling and Street Cleansing Contract Specification

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SOUTH LONDON WASTE PARTNERSHIP

- Four boroughs
- c. 1 million residents
- c. 400,000 households
- Formed in 2003
- Voluntary partnership bound by legally-binding Inter Authority Agreements
- Enables authorities to pool their resources, finances and expertise to find better and more cost-effective solutions
- Governance: Joint Committee (Members) and Joint Waste Officer Board (Officers)

14 March 2023

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The story so far

- Cabinet made a decision on 16 November 2022 to not renew with Veolia (including Options Appraisal)

- Developing Commissioning Strategy

- That Strategy will come before cabinet on 24 May 2023 setting out the approach to commissioning the future contract decision

- All Member Briefing (27/02 and 16/03)

- Resident Engagement (Jan-March 2023)

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Croydon context

- Waste collection and street cleansing are statutory, universal services – costs Croydon c.£13.5m pa.

- Croydon is the largest London borough

- In one month, Veolia carryout c.1.4m collections

- Of these c.3.7k are communal collection points

- Communal collections make up c.3% of the total service provided but impact nearly c.20% of our residents.

- Over 138,000 tonnes of household waste collected each year

- Over 1,000 bulky waste collections carried out each month.

- Over 2,500 new waste containers delivered to residents each month.

- All streets swept and litter picked and maintained to at least Grade B

- Small contract monitoring team serving the borough

14 March 2023

Croydon Environmental Services

Waste

- Statutory and universal service
- Residual Waste
- Recycling – mainly twin stream
- Food waste
- Green waste
- Bulky Waste collections
- Assisted Collections
- Clinical Waste

Street Cleansing

- 483 Km of road swept and cleansed
- Veolia is required to clean streets to a "Grade A Standard" and maintain them to a "Grade B Standard"
- 612 Litter Bins emptied
- 150 Big Belly Bins emptied
- >1600 fly tips cleared a month

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Future Service Design considerations

- Government Policy Development (Recycling consistency, Deposit Return, Extended producer Responsibility

- Council's Carbon Reduction Commitment

- Council's Financial Planning

- Global market for recyclable material

- Risk averse approach from the waste industry

- Covid impact on waste arisings and consumer habits

- Labour market and supply chain

- GLA Collection Conformity Criteria

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Residual Composition Analysis (average)

Croydon

Food waste — 33.1%

Containers (plastics, glass, cans and cartons) — 8.0%

Textiles — 2.3%

Wood, scrap metal and other items that could be recycled at the Factory Lane, Fishers Farm or Purley Oaks Household Reuse and Recycling Centre — 7.1%

Rubbish that is not easily recycled — 31.1%

6.3% Paper and card

3.9% Garden waste

0.6% Batteries and electricals

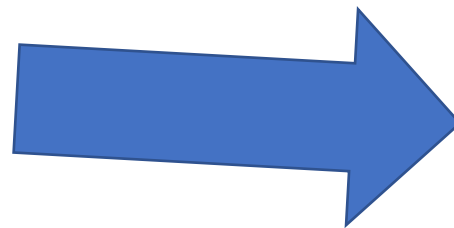7.6% Plastic film/plastic bags that could have been taken to store collection points for recycling

Some differences between Kerbside and Communal

% residual waste recyclable: Over 50% of Kerbside Approx 60% of Communal

Still significant food still in packaging, in residual: 13.9% Kerbside 15% Communal
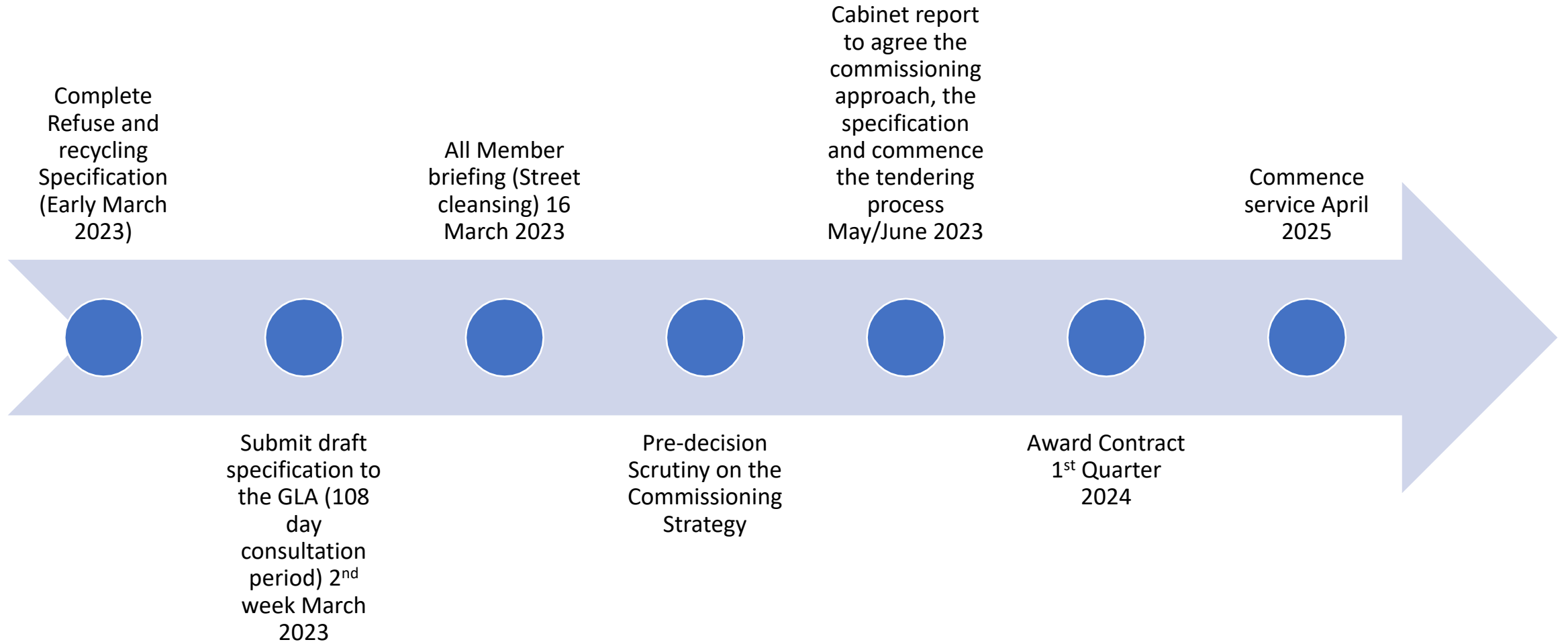
14 March 2023

Croydon's approach

- Mayor's Business Plan
- Lessons learned
- Residents' Engagement completed – awaiting analysis
- Strategic risks
- Targets and behaviours

Service Specification and Approach

14 March 2023

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Summary and next steps

Complete Refuse and recycling Specification (Early March 2023)

Submit draft specification to the GLA (108 day consultation period) 2nd week March 2023

All Member briefing (Street cleansing) 16 March 2023

Pre-decision Scrutiny on the Commissioning Strategy

Cabinet report to agree the commissioning approach, the specification and commence the tendering process May/June 2023

Award Contract 1st Quarter 2024

Commence service April 2025

14 March 2023

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LONDON BOROUGH OF CROYDON

REPORT:	**Streets & Environment Sub-Committee**
DATE	**14 March 2023**
REPORT TITLE:	**Local Planning Authority Service Transformation**
LEAD OFFICER:	**Nick Hibberd - Corporate Director of Sustainable Communities, Regeneration & Economic Recovery** **Heather Cheesbrough - Director of Planning & Sustainable Regeneration**
PERSON LEADING AT SCRUTINY COMMITTEE MEETING:	**Heather Cheesbrough - Director of Planning & Sustainable Regeneration**
LEAD MEMBER:	**Councillor Jeet Bains** **Cabinet Member for Planning and Regeneration**
ORIGIN OF ITEM:	This item was included on the Streets & Environment Sub-Committee Scrutiny Sub-Committee Work Programme for 2022/23.
BRIEF FOR THE COMMITTEE:	The Streets & Environment Sub-Committee is asked to scrutinise the Cabinet report covering the draft Planning Transformation Programme structure, including the programme's six workstreams, future governance and next steps; and to receive a presentation on the above, the findings of the PAS review and the Council's responses to its recommendations, to allow Sub-Committee to feed into and influence the Transformation Programme.
PUBLIC/EXEMPT:	Public

1 LOCAL PLANNING AUTHORITY SERVICE TRANSFORMATION

1.1 The Streets & Environment Scrutiny Sub-Committee has asked to review the Cabinet papers from the 22 February 2023 on Local Planning Authority Service Transformation. These papers have been provided here as appendices to this covering report; a presentation will be provided by officers at the Sub-Committee which will cover the findings of the Planning Advisory Service (PAS) review

(Appendix 1 of the Cabinet report) and the Council's response to its recommendations.

1.2 The Sub-Committee looked at the 2023/24 budget proposals for the Planning Service at its last meeting on 31 January 2023. The Budget Scrutiny Challenge paper provided some information on the Planning Service Transformation Programme and the six workstreams that had been identified.

1.3 At the meeting on 31 January 2023, Members identified specific questions about the timelines for the Transformation workstreams, recruitment and retention, and the opportunities and risks inherent to the Transformation programme. As a result of this, the Local Planning Authority Service Transformation Cabinet Paper was added to the Sub-Committee 2022/23 Work Programme.

1.4 This paper will provide the Sub-Committee with an opportunity to ask questions and scrutinise how the service will respond to the recommendations made by the PAS review through establishing and delivering a Planning Transformation Programme.

2 APPENDICES

2.1 Cabinet Report & Appendices – 22nd February 2023 - Local Planning Authority Service Transformation

3 BACKGROUND DOCUMENTS

3.1 None

LONDON BOROUGH OF CROYDON

REPORT:		CABINET
DATE OF DECISION		22nd February 2023
REPORT TITLE:		Local Planning Authority Service Transformation
CORPORATE DIRECTOR / DIRECTOR:		Nick Hibberd, Corporate Director of Sustainable Communities, Regeneration & Economic Recovery Heather Cheesbrough, Director of Planning & Sustainable Regeneration (and chief planning officer)
LEAD OFFICER:		Nick Hibberd, Corporate Director of Sustainable Communities, Regeneration & Economic Recovery
LEAD MEMBER:		Councillor Jeet Bains
KEY DECISION?	No	
CONTAINS EXEMPT INFORMATION? (* See guidance)	NO	
WARDS AFFECTED:		N/A

1   SUMMARY OF REPORT

1.1   The Local Planning Authority function (LPA) requires a significant transformation programme following a period of sustained budget reductions over recent years. Since the May 2022 election, the Executive's Mayor has made improving the planning service a priority.   An independent Planning Advisory Service (PAS) review has identified the need to transform the planning service. This report outlines how the service will respond to the recommendations made by the PAS review through establishing and delivering a Planning Transformation Programme. The programme will also deliver the priorities within the Executive Mayor's Business Plan, enable the service to adjust to proposed national planning reforms, and respond to feedback from residents and applicants.

1.2   This report sets out the draft transformation programme for the LPA with the aim of delivering sustained improvement to performance and customer experience, whilst

responding to feedback from residents and applicants and delivering the future spatial development needs of the borough.

1.3   The Planning Advisory Service (PAS) were invited to undertake a Development Management Process Review and a Peer Challenge. From the recommendations made and engagement with PAS a Draft Transformation Action Plan for the Development Management workstream has been prepared.

1.4   This Draft Transformational Programme and Action Plan will be finalised following engagement with the wider officer group, the development community and Residents Associations.

2   RECOMMENDATIONS

For the reasons set out in the report and its appendices, the Executive Mayor in Cabinet, is recommended:

2.1   To agree the draft Planning Transformation Programme structure, including the programme's high level workstreams, future governance and next steps.

2.2   To delegate the preparation of the Final Planning Transformation Programme, to the Corporate Director of Sustainable Communities, Regeneration and Economic Recovery following further consultation with the Cabinet Member of Planning and Regeneration.

3   REASONS FOR RECOMMENDATIONS

3.1   Over recent years the entire Planning service has been stripped of funding with successive cuts and savings required. This has seen the Local Plan Review paused with Policy officers redirected to the Development Management service in an effort to address the resourcing crisis within this team following the reduction in permanent and agency staff in the run up to the issuing of the s114 Notice. Within this context the LPA has struggled to deliver excellent customer service due to the long-term under investment in staffing and lack of strategic investment in its physical assets of IT. This has hindered case officer productivity and led to inefficient processes and generated an increasing backlog of applications. This has taken valuable officer time away from 'softer' activities such as communications with applicants and building relationships within local communities to help enhance understanding of the planning process.. The provision of important 'added value' to applicants through its pre app service has also been undermined through delays in response times and even the capability to provide basic customer service, has at times been challenging. The pandemic further eroded the service's resilience with the submission of significantly increased levels of householder applications, which tipped the growing backlog into an unmanageable level.

3.2   In recognition of these challenges, the Planning Advisory Service, as an independent body were asked to review the DM service and provide recommendations to assist in its transformation. These recommendations and the process of the review have helped to inform a draft Planning Transformation Action Plan. A Planning Transformation Board has been set up to provide Governance and a new post of Planning

Improvement Manager is being recruited to provide the necessary resource to drive forward transformation for the DM team, review the local plan, and improve the planning enforcement service.

3.3   The Government is seeking to drive reform in the planning system through the Levelling Up and Regeneration Bill, this includes much greater digital enablement of planning processes. Croydon is one of the top 50 busiest Local Planning Authorities in the country, and is seventh busiest in London receiving over 1700 Government monitored applications p/a, although this rises to c.5000 applications if all applications are counted and c.250 pre apps p/a. However, the current IT capability in the Planning Directorate is hampering its ability to engage in the Government's agenda and improvements are urgently needed in order that the DM service can meet the entry level of planning digitalisation that will be required once the Bill is enacted. Making these basic improvements would then allow participation in pilot improvement projects and increase chances to successfully bid for funds.

4   BACKGROUND AND DETAILS

4.1   Planning carries great responsibility – setting the spatial strategy and decisions about development will impact on generations to come as well as being a key determinant in progressing equality of opportunity for all. Preparing and delivering the spatial development of the borough is complex with a need to engage widely and for the LPA to make difficult decisions. Planning is a system which seeks to balance the rights of the individual to develop their own land against the impacts (social, economic and environmental) it will have on wider society. Balancing these often-competing perspectives to deliver sustainable development and good growth is at the heart of what the LPA does. In recognition of the challenge to do this and to listen and work more with local communities, the Executive Mayor's Business Plan has prioritised the need to transform and improve how the LPA delivers in the borough.

Listening to Residents

4.2   Over recent years there has been clear feedback from residents and customers that Croydon's planning service needs to be transformed to become more responsive to resident's and applicant's concerns. Executive Mayor Perry made a clear manifesto pledge in the 2022 pre-election period to revoke the Croydon suburban design guide supplementary planning document (SPD2). The Executive Mayor's pledge, which has subsequently led to the revocation of SPD2 reflects a commitment to ensure that new development respects character, is led by design over density and improves the quality of future development. It is proposed that the Planning Transformation Programme will include a work stream on resident engagement and customer service as part of developing a more responsive and engaged planning service.

Delivering the Executive Mayor's Business Plan

4.3   The Executive Mayor's Business Plan 2022-2026 identifies the following priorities that support the need for the Planning Transformation Programme. The Transformation Programme will seek to create an LPA that responds to the following Mayor's Business Plan outcomes and priorities:

Outcome 2: Croydon is a place of opportunity for business, earning and learning

1. Priority: Support the regeneration of Croydon's town and district centres, seeking inward investment and grants

The Council will work with businesses and residents to develop a new, sustainable plan to regenerate Croydon town centre that responds to changes in the retail and leisure industry. Together we will develop collaborative strategies, seek inward investment and apply for grants to revive our high streets and district hubs, and unleash Croydon's economic potential.

With our partners we will:

- Develop and deliver a clear shared vision with businesses, developers and residents to steer our town centre and high street recovery.
- Launch an exciting inward investment campaign for Croydon to attract new businesses and jobs in growth sectors.

Outcome 4: Croydon is a cleaner, safer and healthier place, a borough we're proud to call home

4. Priority: Ensure new homes are safe, well-designed and in keeping with the local area

New development will be design-led, not density-led. While we must continue to plan for new homes, schemes must respect the views of local people, enhance the character of our places, and recognise the need for amenity space.

We will:

- Review Croydon's Local Plan to remove intensification zones, support sustainable development and emphasise design and character over density.
- Revoke the SPD2 Suburban Design Guide.
- Review conservation areas to ensure the borough's special places are protected for generations to come.
- Review the planning and enforcement service to identify the resources needed to improve the service for customers.
- Enforce policies to tackle the cumulative impact of houses in multiple occupation.

Responding to reforms to national planning policy

4.4   The Planning Transformation Programme also needs to ensure that the LPA is able to respond to proposed changes happening nationally through the Levelling Up and

Regeneration Bill and the current consultation on the National Planning Policy Framework (NPPF). Specifically, the Planning Transformation programme will ensure that the planning service is fit for purpose to respond the emerging national reform of planning policy:

4.5   The government in its introduction to its current consultation on the NPPF states; 'The government is committed to levelling up across the country, building more homes to increase home ownership, empowering communities to make better places, restoring local pride and regenerating towns and cities. The February 2022 Levelling Up White Paper reiterated the government's commitment to making improvements to the planning system to achieve this, by giving communities a stronger say over where homes are built and what they look like. The Levelling-up and Regeneration Bill (the Bill) which is before Parliament will put the foundations in place for delivering this by creating a genuinely plan-led system with a stronger voice for communities. It will ensure greater provision of community infrastructure by developers, mandate that beautiful new development meets clear design standards that reflect community views, and enhance protections for our precious environmental and heritage assets.'

4.6   The December 2022 consultation on reforms to the NPPF, includes further clarification on how housing targets are derived, delivered and monitored, it seeks to give greater flexibility to responding to local circumstances and the promotion of character over density. However, in London, local plans will still need to accommodate housing targets that are set by the London Mayor in the London Plan. The importance of Local Authorities having an up-to-date Local Plan is emphasised and the concept of National Development Management policies are introduced and how these will be implemented.

Responding to Corporate Reviews

4.7   A number of Governance Reviews have been undertaken since the Council's first s114 notice and as part of its Improvement journey. The Independent Governance Review identified two recommendations in relation to Planning, one to promote more cross party working on planning policy and discussion and one to consider the recommendations in the PAS report and ensure those form part of the Planning Committee's journey to improve resident experience. These have informed the preparation of the Planning Transformation Action Plan.

5   Diagnostic of the current service and findings

5.1   Since the arrival of the permanent Corporate Director in April 2022, much time has been spent reviewing the immediate work that can be actioned and longer-term actions which will form a larger programme of transformation of the LPA. This review has largely taken place through the Planning Advisory Service (PAS) peer challenge review, and through workshops on the review of the Local Plan and review of enforcement guidance.

5.2   For some time, the planning service has experienced under resourcing. This has been caused by reductions in staff created by reductions in service budgets and by challenges recruiting. Challenges with vacant roles across the service has put pressure on staff and has led to reduced service delivery. A backlog of applications and delay to the Local Development Framework production has resulted and there has been limited capacity to take a strategic approach to the transformation of the service.

Staff and managers in some teams are so consumed with fire-fighting and additional requirements as a result of the Council's Section 114s that they are unable to focus on proactive service delivery and improving customer service. This has resulted in residents and customers losing trust in the planning service and the ability of the service to deliver effectively.

5.3   The service has also suffered from a lack of strategic investment in digitalisation and IT. This has hindered case officer productivity and led to inefficient processes. The Government is seeking to drive greater digital enablement of planning processes through the Levelling Up and Regeneration Bill, this includes much greater digital enablement of planning processes. Croydon's current IT capability in the planning service is hampering its ability to engage in the Government's agenda and improvements are urgently needed in order that the service can meet the entry level of planning digitalisation that will be required once the Bill is enacted.

5.4   The impact of the S114s, inefficient processes and under resourcing has been that valuable officer time away from 'softer' activities such as communications with applicants and building relationships within local communities to help enhance understanding of the planning process. The provision of important 'added value' to applicants through its pre app service has also been undermined through delays in response times and even the capability to provide basic customer service, has at times been challenging.

Planning Advisory Service – Peer Challenge Review

5.5   In recognition of the challenges that the planning service has been facing and the need for transformation, the Planning Advisory Service (PAS), as an independent body, were asked to review the DM service and provide recommendations to assist in its transformation. This was in recognition that determination of planning applications against government performance targets were at threat, service standards had dropped, income was falling, resident and ward members were concerned over enforcement activity and the application backlog had increased to unacceptable levels. Case officers had unsustainable caseloads and the wider engagement work, which is good practice with residents and developers had been reduced to a minimum to allow officers to focus on determining applications. Complaints, members and MP enquiries were at levels that were challenging to manage, and officers were targeted on social media and this, with workload pressures, had contributed to the low morale in the service.

5.6   The PAS peer challenge review was completed in June 2022. The PAS reports and recommendations can be found at **Appendix 1.** These recommendations and the process of the review have helped to inform a draft Planning Transformation Action Plan (**see Appendix 2**).

5.7   The DM service asked PAS to consider the following areas:
   • Development management performance.
   • Efficiencies and effectiveness of Planning Committee
   • Enforcement
   • Relationship with customers and management of complaints
   • Planning staff structures

The review was undertaken within the context of:

- Vision and leadership
- Service Performance & Management
- Community engagement
- Partner engagement
- Achieving outcomes

5.8   The Development Management Process Review looked in greater detail at DM performance and the processes and procedures followed by the team to deliver its DM function.

5.9   PAS provided a thorough and detailed analysis through interviews with officers, members, applicants, and resident associations. The key report findings identified that whilst many practices and procedures were good and even best practice, others were causing officers to work inefficiently. The lack of resourcing was a significant problem with the service at breaking point and that whilst the DM service is a major income source, it had not been sufficiently resourced to optimise the generation of income.

5.10   The PAS review panel also found that there was a significant breakdown in communication and trust between officers, members, and the public, however PAS identified an opportunity to reset and rebuild trust and there is a clear willingness from officers and members to learn from elsewhere and from each other.

5.11   To ensure that improvements could be made PAS were clear on the need for the service and officers to have the capacity and resources for
- driving improvements
- engaging with internal and external stakeholders
- training and development.

5.12   The draft Action Planning Transformation Plan **(appendix 2)** draws together recommendations across both of the PAS reports. To address the fundamental issue of lack of resourcing, a Planning Service Improvement Manager is to be recruited for a Fixed term period of two years, this post will take the lead on the delivery of the Transformation Programme and provide capacity to drive change. To provide governance and assurance a Planning Transformation Board has been set up which reports to the SCRER Transformation Board. The commencement and implementation of the Transformation programme is conditional on the appointment of a Planning Service Improvement Manager.

5.13   The recommendations of the PAS reviews have been grouped in the following areas:
- Resource and Performance Management
- Technological Improvements
- Officer Training, Development, Morale, and Retention
- Internal Process Review
- Communication and Engagement
- Planning Policy, Procedure Development
- Planning Committee

5.14 <u>Resource and Performance Management</u>

The PAS Review found that the service benefits from a high quality of officers who are professional and dedicated and the current staffing structure meets the planning requirements of Croydon. However, the number of officers is insufficient, and PAS found in June 2022 that the service is currently firefighting and losing. Enforcement has specific issues with responses to enforcement enquiries not meeting residents and member expectations.

5.15 <u>Technological Improvements</u>

The PAS review found that Uniform and IT processes are used inefficiently creating duplication of activities and the way IT is set up and used is not fit for purpose and wastes resources. The transformation of the Planning service's IT needs to be a key focus of wider IT investment through the Council's transformation programme. This will speed up processes, increase productivity and avoid wasteful use of officer time. Data standards and digitisation is a key part of impending planning reforms and it is important the Council are not left lagging behind other authorities.

The better utilisation of Uniform is an early win through drawing on existing knowledge within the Council and the wider London borough LPA network.

5.16 <u>Officer, Training, Development, Morale and Retention</u>

Staff wellbeing was raised as key concern during the PAS review with unmanageable workloads and the pressures they receive from applicants, the community, and social media. Staff needed to be better supported to deliver and to feel valued.

The PAS review recommends that Job descriptions should be reviewed to ensure these accurately reflect performance management and complexity of workload and measures put in place to provide more formal opportunities for staff to raise concerns and issues around morale and training and development. A Strategy for staff retention and development should also be part of this.

5.17 <u>Internal Processes</u>

The PAS review recognised that the service has some excellent practices. There is a sound scheme of delegation, and some sound processes and procedures in place, including the Major Applications weekly meeting, which allows management oversight of major and complex applications to provide a strategic steer and as a training opportunity for junior officers. The DM Manual is an exemplar of national best practice. Officer reports are very high quality and clear. Pre-app and PPAs are well thought of by agents for Major developments and there are good relationships between individual officers and consultees.

However, the PAS review highlighted that the approach to validation is causing major problems and a bottleneck. It seeks to balance - performance versus customer service but currently does not achieve either. There is too much management time taken up with complaints and issues with vexatious complainants. There is a lack of internal consultee support, particularly within legal which is impacting on performance and sound decision making.

5.18 <u>Communications and Engagement</u>

The PAS review found that whilst there are some good individual relationships between planning officers, residents, consultees and interested parties, there is a general need to re-build trust and relationships between Members, officers, and residents. The lack of communication with the public and applicants has arisen from the reduced resources and the pandemic and this has helped to create suspicion, a perception of bias and a lack of transparency, which has contributed to a breakdown in trust. PAS recommended that additional resource and a Communications strategy to counter the negative narrative that is impacting officer morale and affecting recruitment and retention.

Proactive communications could be undertaken to demonstrate action on enforcement and through additional information on the website to demonstrate how the Council manages conflicts of interest.

There are many knowledgeable and active community groups and these are an asset who the planning service need to collaborate more with. The existing twice yearly Developer Forums and Residents Association meetings are identified as good practice, but more could be done to embrace residents desire to get involved in planning so that it is a more positive relationship.

5.19 <u>Policy Development</u>

The PAS review recognised the process of the Local Plan Review as an example of good plan making. The review acknowledges the need to retain a strong policy framework and work collaboratively on the Local Plan Review to avoid significant delays in the plan making process and subsequent potential unintended consequences of reduced local decision-making powers. An appropriate replacement to SPD2 should be progressed to ensure there is continued consistent decision-making and this gives a valuable opportunity to build relationships and understanding between officers and members on policy development.

5.20 <u>Planning Committee</u>

PAS recognised that the Planning Committee were new when they undertook the Peer Challenge and this provided an ideal opportunity for officers and councillors to work together in rebuilding mutual trust and improve the operation of the Planning Committee. It was recognised that there was a need to create more productive and collaborative Planning Committee meetings where councillors and officers work together to make sound and defendable decisions.

Planning is extremely high profile in the Borough, with a high housing target, significant developer interest and active Resident Associations, which have all contributed to the planning service having high levels of political engagement. This creates a significant number of member and MP enquiries, complaints and FOIs.

The Resident Engagement work is anticipated to assist with this, but there is also a need to ensure members also have sufficient and appropriate training. The PAS Review found there was a commitment to ongoing training and to learn from best practice and that this should include Ward Members. A review of the two Planning Committees was recommended to ensure that requirements on speed, quality and delivery were optimised balanced with openness and transparency.

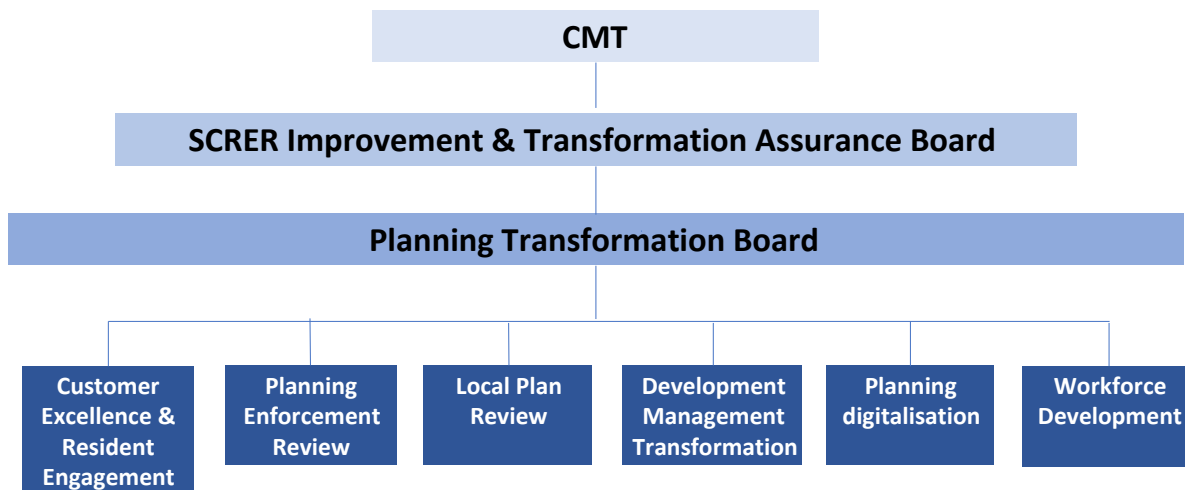6. **THE PLANNING TRANSFORMATION PROGRAMME STRUCTURE AND WORKSTREAMS**

6.1 Diagram 1 depicts the proposed transformation programme architecture in this draft stage. The aim of the programme structure is to create the workstreams and governance that will oversee and deliver the whole of the transformation of the Local Planning Authority – including the delivery of the recommendations of the PAS review.

6.2 There are 6 workstreams which make up the programme:

1. Customer service and resident engagement. The aim will be to refocus the service on the delivery of consistently good and working towards excellent customer service and to ensure a culture of regular engagement with residents, customers and partners.

2. Local Development Framework (LDF) Programme (Local Development Scheme). The key component of the LDF programme is the review of the local plan workstream and will be overseen by the LDF Board, which will report into the Planning Transformation Board. The review of the local plan will seek to remove intensification zones, support sustainable development and emphasise design and character over density. This workstream will also oversee the residential extensions and alterations SPD, the review of HMO policies, replacement design guidance SPD, Purley Way Masterplan SPD, production of Conservation Area Appraisal, Planning Obligations SPD and review of the Community Infrastructure Levy charging schedule, alongside the annual statutory functions such as the Authority's Monitoring Report and Infrastructure Funding Statement.

3. Development Management Transformation. This workstream will deliver service improvement and efficiencies with the core development management service, through the delivery of the recommendations of the PAS review. The draft Development Management Transformation Action plan appears at **Appendix 2**.

4. Review of the Planning Enforcement Service. This will include a review of the enforcement guidance to ensure that resources are identified and focused to improve the service for customers.

5. Digitalisation of the Planning Service. Plan making, development management, placemaking and assessing development proposals are key areas where maximising digital tools can create efficiencies. With the focus on data standards and digitisation contained in the Levelling Up and Regeneration Bill, this workstream will ensure that IT systems are upgraded to respond to the digitalisation agenda.

6. Culture change, workforce and skills. Good planners can work around an imperfect planning system, but a perfect planning system can't work around a shortage of good planners. This workstream will aim to ensure that we are able to attract and retain good planners in Croydon and will prepare and deliver a workforce development plan and enable it's workforce to deliver excellence to residents, customers, and partners.

Diagram 1.

Planning Transformation Programme. Governance and initial scope of programme

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  │             Planning Transformation Board                         │
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Customer Excellence & Resident Engagement	Planning Enforcement Review	Local Plan Review	Development Management Transformation	Planning digitalisation	Workforce Development

6,3 Each of the workstreams will contain several projects each with their own project lead. The overall programme plan is currently being developed which will detail timeframes, risks, stakeholders, impact on customer, impact on business, interdependencies, outcomes, cost, and measures of success.

6.4 The workstreams report regularly into a new Transformation Steering Board which has reporting lines into SCRER Improvement & Transformation Board and the Corporate Management Team, the Political governance structure (Cabinet Member for Planning & Regeneration, Executive Mayor, Scrutiny, Cabinet). We anticipate the Board to meet monthly.

6.5 In addition, we will work with appropriate Resident Associations and development partners to ensure we have captured accurately the drivers that we are responding to, that our approach is appropriately engaging and that the solutions are designed with residents, customers and partners in mind.

7. PLANNING TRANSFORMATION BOARD MEMBERSHIP

7.1 We are seeking broader membership for the Transformation Steering board. The Board will seek representation from across the organisation and will involve key colleagues whose services and input will be impacted by the programme.

7.2 The delivery of the Planning Transformation Programme will remain a corporate priority through regular reporting from the Planning Transformation Board to the Corporate Management Team, and the inclusion of senior officers on the Board.

7.3 The Planning Transformation Steering Board will include the following members:
- Corporate Director Sustainable Communities, Regeneration & Economy Recovery
- Planning Service Improvement Manager (Transformation Lead)
- Director of Planning & Sustainable Regeneration
- Head of Spatial Planning, Growth Zone & Regeneration
- Head of Development Management

- Communications representative
- Nomination from Digital services
- Nomination from Finance
- Legal representative
- EDI representative

8. LINKAGES WITH OTHER INTERNAL CONTROL BOARDS

8.1 There are several other internal governance structures which form part of the programme. Internal control boards linked to the Transformation Programme's governance include those that:
- Oversee digital solutions (Digital Approvals Board and Digital Internal Control Board)
- Support through appropriate programme management (PMO)
- Ensure the inclusion of resident voice in all we do (Resident Voice Internal Control Board) and

Links will be formed with further governance boards as the organisation itself evolves its governance structure thereby ensuring that we have sufficient governance and engagement from across the organisation and can work collaboratively to deliver holistic services.

9. RESOURCES AND TIMESCALES

9.1 The Planning Transformation Programme has been allocated £300k funding for the delivery of the programme. A Planning Service Improvement Manager is being recruited to act as the transformation lead officer. Projects within the programme will be resourced using appropriately skilled staff. In many instances, we will seek to utilise existing resources but with expert direction. However, there will be some projects which, we anticipate, will be led by external consultants with very specific experience and skills. In these instances, we will ensure appropriate internal staff form a key part of the project team. The projects will be managed closely for VFM delivery, but we would also look for opportunities to transfer skills into the organisation where practical.

9.2 We anticipate this being at least a two-year programme with delivery in phases. We also anticipate that the workstreams will evolve as we progress through the programme delivery.

10 ALTERNATIVE OPTIONS CONSIDERED

10.1 The Planning Transformation programme is being drafted to respond to the Planning Advisory Service Review (PAS) recommendations. The PAS review considered options and made recommendations for the transformation of the service.

11 CONSULTATION

11.1 Consultation and engagement on the draft transformation programme will take place during February and March 2023. This will include engagement with the borough's Residents Associations, the Developer's Forum and business associations, such as Develop Croydon and the borough's Business Improvement Districts.

11.2 Streets & Environment Scrutiny Sub-Committee will consider the Planning Transformation Programme in March 2023.

12. CONTRIBUTION TO COUNCIL PRIORITIES

12.1 The Executive Mayor's Business Plan has a number of priorities which require the transformation of the planning service. These are outlined in paragraph 4.3 of this report.

13. IMPLICATIONS

13.1 FINANCIAL IMPLICATIONS

13.1.1   Effect of the decision

In the 2023/20224 MTFS Budget Proposals there is a £1m budget adjustment to realign the Income Budget which has shown a shortfall in income throughout 2023/2024, specifically in connection with the downturn of Major Applications. 30th November 2022 approved a £300k Transformation Budget which will be used to fund the transformation programme. Of the £300k transformation budget £100k is earmarked for improvements to the Planning Services Uniform IT System, whilst the rest will be earmarked for the recruitment of a Planning Improvement Manager on a fixed term contract for two years.

13.1.2   Financial Risks

The proposed improvement of the existing IT will be largely focused on fully exploiting the capabilities of the modules of the existing Uniform platform. This should result in fewer manual operations and work arounds, that require the use of standalone spreadsheets and systems and allow modules to link more seamlessly together. This will include optimising existing and future GIS and identifying new applications. However, the existing system may not be fit for purpose and the delayed re-procurement of Uniform may need to be brought forward and capital funding identified if Uniform is found to be not fit for purpose.

The economy is experiencing a downturn, which is seeing some private sector planning consultancies and developers shedding staff and this is impacting the planning service through a reduction in the major applications. These applications generate the larger fee income and help subsidise the costs of the household applications. If the reduction in major applications continues, this may mean that the proposed budget realignment of £1m will not be sufficient. This would also affect the ability for the service to deliver the agreed transformation savings, but these would be minimised due the changes which would be implemented. It should be noted that Planning Applications are led by demand and if this is in a downturn then the ability to achieve income budgets will always be affected regardless of how the service is performing. Staffing numbers will be kept under review as part of this mitigation; however, the Planning Service still have a backlog of applications to process.

13.1.3   Future savings/efficiencies

The Government are proposing to consult this Spring on the current Statutory Charges associated with planning applications which may mitigate further income shortfalls if the downturn in applications continue. At this point though, there is no indication of when or by how much any changes may deliver/be delivered.

13.1.4   Comments approved by Darrell Jones Acting Head of Finance (SCRER) on behalf of the S151 Officer

13.2   LEGAL IMPLICATIONS

13.2.1   This report recommends consultation of a draft Transformation Action Plan. Aspects of the Action Plan will require input and from other departments within the Council. Some recommendations will require additional governance processes to be followed before final approvals, for example any changes to Schemes of Delegation or to the Constitution.

13.2.2   The Executive Mayor has the power to exercise executive functions pursuant to s9E of the Local Government Act 2000 and has the power to delegate those functions. This report seeks relevant delegations to exercise executive functions.

13.2.3   Comments approved by the Head of Commercial & Property Law on behalf of the Director of Legal Services and Monitoring Officer. (Date 19th January 2023

13.3   EQUALITIES IMPLICATIONS

13.3.1   As a public body, 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. Failure to meet these requirements may result in the Council being exposed to costly, time consuming and reputation-damaging legal challenges.

13.3.2   The transformation is designed to enhance the delivery of service to residents and also to raise the morale of staff who may have been affected by lack of resource that had caused an increase in work and challenged the mental health of some employees. The proposals do not impact negatively on the current staffing levels with no staff being made redundant and resources increased if need is identified.

13.3.3   Historically though the service is open to all residents, the residents in communication with the service have been largely in the older age groups. The service has indicated that they need to improve the relationship and communication with the whole community including those who are of a younger age group. Efforts will be made to develop the relationship across the range of residents, this includes people from seldom heard groups as detailed in Equality Strategy 2020 -2024. Improvements will also be made to how the service is delivered to Disabled residents who may have difficulties reading the text used in planning applications. The service will ensure that its consultation documents are compliant with the standards of the British Dyslexia Association. Staff members who are able to support residents who are non neuro typical and may have

conditions such as dementia or dyslexia will be on hand to support residents at public events. An EQIA is being developed and will be signed off on 13 February 2023

13.3.4   Comments approved by Denise McCausland Equalities Programme Manager. 09/022023

13.4   HUMAN RESOURCES IMPLICATIONS

13.4.1   There is an HR impact associated with this report in that a Planning Improvement Manager is to be recruited in order for this work to progress.   The recruitment will be managed under the Council's Recruitment Policy.

13.4.2   If any other issues arise these will be managed in line under the Council's Policies and Procedures.

13.4.3   Approved by: Jennifer Sankar, Head of HR Housing Directorate and SCRER Directorate for and on behalf of Dean Shoesmith, Chief People Officer. 19/01/2023

14.   APPENDICES

14.1   Appendix 1 - PAS reports and recommendations
14.2   Appendix 2 - draft Planning Transformation Action Plan

15.   BACKGROUND DOCUMENTS

15.1   Independent Governance Review

15.2   Levelling -up and Regeneration Bill: reforms to national planning policy

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Croydon Development Management Processes Review

June 2022

Contents

2

3

Executive summary

The Croydon Development Management Process Review should be considered as part of a package of support provided by PAS. It provides detailed feedback on the processes followed by Development Management in Croydon and the resources available to manage workloads. However, it is not backed up by detailed discussion and interviews with the staff and users of the Development Management service. It also has not considered in any detail the soundness of decision making through the Planning Committee process. Therefore, it should be considered alongside the Peer Challenge that took place after the process review (21-23 June 2022) and not considered in isolation.

Croydon's Development Management service has some excellent practices and clearly has experienced, knowledgeable and dedicated staff. Some areas of the service can be held up as national best practice in their approach. The staff are however clearly struggling to cope with the workload and some of the processes that have been put in place cannot function effectively with the level of staffing that currently operates at Croydon.

The staff structure is set up in a logical manner with clear allocation of responsibilities between managers, principal / senior officers, more junior officers, and technical support staff. The teams are also set up in a logical geographic split with one team managing most of the strategically important development opportunities.

The workloads of staff have become unsustainable with individual caseloads at any one time being far in excess of what would be reasonably manageable and these workloads need to be reduced urgently to avoid further pressures on performance and for the wider wellbeing of staff. Staff morale is clearly at a low ebb and the welfare of staff needs to be a urgent concern for the Council.

Croydon has an excellent system in place for managing key performance targets in terms of workload and speed of decision making and has an excellent Development Management Manual that is an example of national best practice. The service would benefit from further performance monitoring based on appeal performance, extensions of time and individual officer performance indicators.

Job descriptions are generally sound but in some cases need updating to reflect the changes in staff structure and procedures that have taken place in recent years.

Croydon offers a very comprehensive pre application service and its suite of services should be held up as best practice. However unfortunately the staff are not able to deliver on the service offered due to lack of resources to dedicate time to pre applications or to respond in a timely manner.

Croydon has changed its validation processes to provide a more customer focused approach whereby the case officer takes ownership of an application at the submission stage. The approach of Planning Officer validation is followed by other Councils very successfully. However in reality it has significantly slowed the validation process is causing a crippling impact on the speed of decision making. Performance is also being significantly affected by the resources available from internal consultees both through a lack of staff and the contracting out of certain functions that has meant that Planning is competing for scarce resources.

There is a very comprehensive scheme of delegation and Planning Committee code of practice in place and this appears to be working effectively. It does require a review with the need for clarification and additions and should be considered when appropriate to do so.

4

Officer reports are also very comprehensive and provide best practice in terms of quality and layout. Some relatively minor additions and refinements may be beneficial.

Workloads for Enforcement officers, as with planning application case officers are currently proving unmanageable and this is affecting the wellbeing of staff and the reputation of the Council. There is an urgent requirement to remove the backlog of cases and to improve the reporting and investigation processes. Some of the best enforcement best practice is seen in other London boroughs who could support Croydon in this respect.

Finally, due to the volume of correspondence received, managers are taking a disproportionate amount of time in dealing with a large number of complaints and councillor enquiries. This is preventing them from carrying out their other management functions. This is having a significant impact on performance and reputation which in turn is creating more complaints. This is a cycle that needs to be broken and this issue will be investigated further through the Peer Challenge.

Other issues such as IT are a clear problem to staff and have not been investigated in any depth by the team due to time constraints, but will be investigated through the Peer Challenge.

5

Recommendations

Service structure

1. Benchmark titles, experience, and salaries with neighbouring authorities to determine whether the current approach is reducing the ability to recruit.
2. Employ additional resources on a temporary basis to increase resources and address the applications backlog so that staff can be offered a manageable caseload (see also separate recommendation under Enforcement section) - Priority recommendation
3. Undertake a PAS Resource Review to identify the staffing resource required to deal with the ongoing workload demands and prevent the build-up of backlogs of both applications and enforcement cases.

Performance Management

4. Re-introduce the appeals monitoring process and include a regular report to Planning Committee. Monitor major appeal decisions and the Government quality measure using the PAS "Crystal Ball" particularly with reference to the appeals for non-determination
5. Identify Service, team and officer specific KPIs and ensure they are monitored and included as an integral part of the relevant meetings i.e., Service, Team and 1 to 1s.
6. Through this current Development Management Review and Peer Challenge focus on ways in which speed of decision making can be improved, particularly for non-Majors so that use of EOTs can be reduced. In particular establish targets for reduced use of EOTs focused particularly on non-Majors
7. Ensure the DM Manual is regularly reviewed and kept up to date.

Job Descriptions (JDs)

8. Review all JDs to ensure they accurately reflect the work that the grade is expected to undertake. In particular focus on the following issues:
- Include the purpose of planning (delivery of quality place making, high quality developments, sustainable development and growth etc) in all JDs
- Include reference to delivering sustainable development in accordance with the Development Plan and other relevant material considerations
- Review the general consistency of structure; content; and cascade of purpose, outcomes, deliverables depending on role and seniority.
- Include a clear approach to Development Management performance management throughout the JDs. Refer to developing and setting individual and team KPIs; and undertaking performance management functions such as 1 to 1s, team meetings, coaching, mentoring etc.
- Review the language used in the JDs to ensure it reflects the approach to Development Management that Croydon wishes to take. In particular remove some of the 'process' language.
- Update JDs to reference the current structure e.g. so that reference is made to North and South Development Management Teams not Central
- Refer in all JDs the responsibility, at every level, to updating (or assist with updating), improving and implementing the DM Manual.

6

Officer Morale

9. Dedicated time should be given to staff share experiences and problem solve, as well as providing a safe space for voicing concerns. This should be done at a variety of scales. Croydon should programme in a whole department away-day focussed on staff morale and specifically the journey of improvement being undertaken. In addition, time within the Development Management Team meetings should facilitate a discussion on staff morale and current issues. It is important time is dedicated to staff morale and wellbeing and this should be set aside from business as usual.
10. The existing programme of informal mentoring should be developed further to encourage peer to peer learning across all levels of the department.

Pre apps and PPAs

11. As Part of Croydon's Resource Review assess the resourcing requirement (skills, experience, and quantity) to effectively resource pre application and PPA services and the amount of income that can be achieved.
12. Join the PAS pre app / PPA network that is being established as part of the 2022/23 PAS work programme. This will allow Croydon to draw upon good practice and share learning with other similarly sized Councils.

Registration and Validation

13. For a temporary period of time revert the validation of planning applications back to the Technical Support Team (following recruitment and training) to free up planning officer time to assess planning applications. This will require additional resources in the Technical Support Team.
14. Hold a workshop session with officers and Tech Support as part of recommendation above to help break the cycle of delays in validation
15. Use the Enterprise system fully to allow allocation of applications to take place without the use of alternative systems
16. Use the existing agents forum arrangements to help agents and Planning team work together and jointly own the performance issues.

Consultees

17. The issue of consultee resourcing and the knock-on effect it has on planning needs to be addressed in the service and corporately to ensure pre-application responses and applications can be efficiently assessed and determined.
18. Consider the costs and benefit in relation to employing an in house viability expert.
19. Investigate the increase of internal planning solicitor resource (and a clear long term approach to external legal support) that can be more accessible and timely to ensure robust decision making.

7

Scheme of Delegation and Planning Committee Code

20. Review some of the existing wording in the procedures and code where there could be potential problems. These include:

- Consider whether referrals should relate to matters contrary to officer recommendation rather than just objections
- Consider an alternative way of agreeing who speaks when multiple requests are made
- Review the enforcement section
- Need to review procedures for Planning Sub Committee when time runs out at full Planning Committee to consider the items.

21. Consider having the following additional sections including:

- Clarify roles that the Lead Officer, Legal Officer and Democratic Support Officer should take during the Committee
- Guidance on complaints procedure and reference to LGO and JR
- With regard to Member applications define a close relative
- Provision for dealing with S106 amendments
- Set out the different referral routes in summary table to make it easier to understand
- Include guidance on private interests separate from Disclosable Pecuniary interests
- Include a reference to allowing officers to point out any potential costs issues if Members are voting against an officer recommendation
- Include a monitoring and review section e.g. reviewing decisions of Committee, annual site visit as learning an reflection

Quality of Officer Reports

22. Introduce a standardised template for section headings in all officer reports
23. Include a section within reports that reference relevant emerging policies and how they apply to the development as material considerations.
24. Include within Reports statements on: Human Rights, Equality Act and Financial considerations.

Enforcement Practices

25. Employ additional temporary staff to increase resources to enable the Enforcement backlog to be reviewed and reduced
26. Review procedures for taking formal action by benchmarking against other London Boroughs
27. Review enforcement reporting so that it is given greater exposure to Members and senior officer

Customer Service and Communication

28. Consider a better process for managing the complaints received that identifies the most appropriate level within the organisation where a response should be made and an administrative process for ensuring that complaints are responded to on time. This could include better communication on the Council's website to indicate what matters can be considered as complaints and what matters are outside the scope of the Council's jurisdiction.

8

29. Introduce a more formalised learning through experience process so that lessons can be learnt on all areas of Planning including a celebration of things that have gone well and where officers have been praised
30. Work with the communications team to establish approaches to counter negative media coverage and celebrate good stories
31. Review the effectiveness of sending neighbour letters as well as site notices. If neighbour letters are still required then review the process notes to ensure that the process is robust

9

1. Introduction

1.1 The Planning Advisory Service (PAS) has been asked by Croydon to provide support and advice on improvements that can be made to its Planning service and in particular the Development Management function. This is following a dip in performance based on the DLUHC measures on speed of decision making and increasing pressure being experienced by staff to meet the expectations of Members, developers and the public in the discharge of its Planning functions.

1.2 The Planning Advisory Service (PAS) is part of the Local Government Association (LGA). PAS provides high quality help, advice, support and training on planning and service delivery to councils. Its work follows a 'sector led' improvement approach, whereby local authorities help each other to continuously improve

1.3 The purpose of this review is to examine in detail the effectiveness of the Development Management procedures that are in place to manage the Council's Development Management function. They were assessed against the broad principles set out in the PAS DM Challenge Toolkit. This review forms the first part of a package of support being provided by PAS. It will be complemented by Planning Committee Member training and a LGA Peer Challenge focused on Development Management, Planning Committee and Planning Enforcement.

1.4 The PAS team was provided with a wide range of information and data to undertake the review. This included: staff structures; performance information; adopted policies and guidance; procedure manuals; and sample officer reports. In addition the team interviewed the senior management team responsible for planning and a selection of staff within the department. However the team did not interview any Council staff outside of the Planning teams or any customers of the Planning service. The reason for this is because the work forms just one element of the package of support to Croydon and is only looking at the procedures that are in place to support the Planning service. The Peer Challenge work will involve detailed discussions with the various customers of the Planning service. For this reason the Croydon Development Management Process Review should not be looked at in isolation but in tandem with the Peer Challenge report.

1.5 As the review forms part of a larger package of support some of the recommendation will refer to the other areas of work that will look into the issues in more detail.

1.6 The review team included members of the PAS Team and a consultant employed by PAS. The team included:

Gilian Macinnes, Planning and Placemaking Advisor, Gilian Macinnes Associates
Shelly Rouse, Principal Consultant, PAS
Peter Ford, Principal Consultant, PAS

2. Development Management Service Structure

2.1 The current structure appears reasonable for the volume and nature of Development Management work and it is the issue of resourcing within this structure that is the main area of concern. It is area based, with North, South and Central teams plus the Enforcement and Technical Support teams (illustrated on the structure chart). It is beneficial to have the area Development Management teams and Enforcement and Technical Support teams managed by the same manager to aid prioritisation and ensure that all those involved in the Service understand their role and the roles of others and to enable staff to work together to provide an effective Development Management service.

2.2 The recent budget cuts saw the loss of a team manager in the North Team, but CIL money is being used to reinstate a team manager. We understand that Croydon previously had a Strategic Sites Team. The Central Team is now responsible for a large proportion of the large, high-rise developments. We understand that the management aim is to include matrix management to enable officers to get experience of all types of work even if it is in a different team, due to the different nature of the work in the different areas. We consider that this team structure can work provided that the officer numbers and skills and experience reflect the quantity and type of work that they are doing.

2.3 With reference to the team structures, role profiles and workload it appears that a senior officer at Croydon carries out similar work to a principal officer in other authorities as they are expected to have 4-6 years experience. Due to the difficulty recruiting experienced staff, Team Leaders (TL) and Deputy Team Leaders (DTL) undertake case work, reducing their time to manage, supervise, coach and mentor team members.

Roles and Responsibilities

2.4 Team Leaders (TL) manage the teams and undertake allocation; Deputy Team Leaders (DTL) undertake day to day management and undertake the majority of sign off and manage some strategic applications; Principal Planning Officers (PPO) have some management responsibilities, but focus on Major applications; the Senior Planning Officers (SPO) are having to cover Planning Officers (PO) workload on more minor applications as there are insufficient POs to be able to manage the volume of Householder/Other applications that are received at Croydon. In terms of workload management, DTLs can run caseload reports by officer to manage workloads and performance. The TLs are all considered to be very knowledgeable but *'need time to get their head above the parapet'* (quote by officers*)*

2.5 The difference between the DTL and PPOs does not appear to be reflected in the Job descriptions (see below – Job Descriptions section).

2.6 In terms of role, the planning officers now undertake their own validation, which has resulted in a reduction in the number of technical support officers. It also results in a reduction in planning officer resource to assess planning applications. It can be desirable to have the same officer assessing and validating an application, however, this requires planning officers spending a greater amount of their time on each application. This new way of working (based on the "Wolverhampton approach") was brought in to improve the customer experience. Issues regarding registration and validation are considered further later in this report.

Overall staff resources – planning applications

2.7 We considered the number of officers and applications being managed by individual staff and also feedback from individual members staff.

2.8   During the interviews with staff the following comments were heard:

'There are not enough 'bums on seats'.

' We need support –specialist support'

'We need more officers at the correct level, with experience, we are short of senior knowledge and experience'

2.9   These views appear to be confirmed when reference is made to the comparison table (see below) for all live applications and applications per case officer and the review of establishment (full time equivalents (FTEs) before and after the cuts). There appears to be a mismatch in overall resources and the total number of applications received and this mismatch has been getting progressively worse for several years.

Comparison weeks	all live Apps	live majors	Max per officer	Ave apps per career grade officer	total staff that week	Decision per FTE
28/3/22-1/4/22	1606	76	85	130	12.4	6.5
30/3/20-3/04/20	1006	59	55	59	17	5.4
26/3/18-30/3/18	728	54	49	46	16	4.9

Source data provided by Croydon BC – DM Monitoring

2.10   The department has supplied additional data on staff numbers in terms of establishment and temporary staff.

2.11   The current staffing consists of 35.8 permanent positions 32 of which are funded by the organisation (establishment) and 3.8 which are currently unfunded.

2.12   Under the previous structure, prior to the cuts there were 35 FTE equivalent officers plus between 5-7 temporary staff, excluding enforcement officers

2.13   The total number of enforcement officers has been reduced from 6 to 4.8 FTE equivalents following recent budget cuts..

2.14   Both Planning Officers (management and areas teams) and Enforcement are using CIL Admin proportion to fund posts.

2.15   Croydon has previously been quite stable in terms of staffing in Development Management, however, in the last couple of years it has experienced a churn of staff and this has had a negative impact in terms of capacity. There has been more successful recruitment recently (July 2021 Advertisement campaign) with 3 previous members of staff returning to Croydon.

2.16   The Council's financial situation has had an adverse impact on staffing, we understand that temporary staff that left were not replaced and as part of the cuts other temporary staff were not retained. This resulted in an increase in the number of applications per officer. Pre -May 2020 money had been allocated to address the staffing issues but when 15% savings were

12

sought we understand the money for the staffing went to savings. We are told the Spatial Planning Team was required to make just over 15% savings in 2020 reducing the staff establishment of the Service. We also heard that as a consequence of the post Section 114 recruitment restrictions, a good proportion of Spatial Planning for a period of just over six months helped Development Management to tackle the backlog with a direct impact on the programme for delivery of the Local Plan review in particular.

2.17   Planning case officer caseloads peaked at 100+ applications for some officers plus validation and appeals, but we understand that this has now been reduced to 60-80 applications on average plus validation plus appeals.   Even with this reduced caseload it is clearly unsustainable and must be reduced to safeguard the wellbeing of staff and the reputation of the Development Management service. Whilst it is very difficult to provide a reasonable average caseload without undertaking and productivity and resource review, a national benchmark of no more than 40-50 live (i.e. validated and being considered) cases per officer at any one time is generally accepted as reasonable. In Croydon's case this number should, if anything, be reduced due to the relatively high number of Major applications submitted.

2.18   A comment was made that some officers take leave to do work, to have quiet time. If this is true then it is unsustainable and has serious wellbeing implications.

2.19   In terms of Enforcement we understand that the team leader left in October 2021 and most of the remaining team have since resigned. (See Review of Enforcement Practices – below). However there has been recruitment of permanent and temporary staff to Enforcement since that time.

Recommendations
- Benchmark titles, experience, and salaries with neighbouring authorities to determine whether the current approach is reducing the ability to recruit.
- Employ additional resources on a temporary basis to increase resources and address the applications backlog so that staff can be offered a manageable caseload (see also separate recommendation under Enforcement section) - **Priority recommendation**
- Undertake a PAS Resource Review to identify the staffing resource required to deal with the ongoing workload demands and prevent the build-up of backlogs of both applications and enforcement cases.

3. Performance management

Overall approach

3.1   There is a clear awareness of Government's speed statistics and performance measurement at Croydon. This is monitored on a weekly and monthly basis with excellent procedures in place to monitor performance. There is an impressive range of other performance data that is recorded based on numbers of applications received and determined. Information is also provided on staff capacity and application volumes. However, there is a limited focus on other performance measurements, particularly outside the headline Government performance measures. Croydon's performance indicators (KPIs) are standard Government targets, there are no nuanced KPIs. There could be a greater emphasis on overall Service and Team performance and individual officers' contribution to that performance. It is important to embed performance management at all levels and make it integral to the management of the service. The suite of KPIs should feature in 1 to 1 meeting, team meeting and formal appraisals so that staff have a greater awareness of performance matters.

13

3.2   Croydon is struggling with regard to speed of decision making. In regard to Major applications performance has deteriorated significantly since July 2021 and Croydon is likely to be at risk of not meeting the minimum speed threshold of 60% at the end of the DLUHC assessment period (end of September 2022). Speed of determining non-Major applications has, in the main been below the minimum threshold of 70% throughout the DLUHC assessment period except for the quarter April to June 2021. If current trends continue Croydon will also be below the minimum DLUHC threshold at the end of the assessment period.

Croydon — Designation Period 2020_2022

Criteria: Speed
Council: Croydon

	District matter Majors (151a)							County matter majors (151b)							Non-majors (153)					
	All Major Decisions	Major Decisions within 13 weeks	PPA, EoT or EIA Decisions	PPA, EoT or EIA Decisions in time	Out of time	Result		All Major Decisions	Major Decisions within 13 weeks	PPA, EoT or EIA Decisions	PPA, EoT or EIA Decisions in time	Out of time	Result		Non-major Decisions	Non-major Decisions within 8 weeks	PPA, EoT or EIA Decisions	PPA, EoT or EIA Decisions in time	Out of time	Result
Q1 Oct - Dec 2020	13	2	8	8	3	77%	Q1							Q1	590	287	146	115	188	68%
Q2 Jan - Mar 2021	18	2	15	15	1	94%	Q2							Q2	537	241	141	106	190	65%
Q3 Apr - Jun 2021	10	1	8	7	2	80%	Q3							Q3	634	330	166	156	148	77%
Q4 Jul - Sep 2021	6	1	2	2	3	50%	Q4							Q4	569	245	168	147	177	69%
Q5 Oct - Dec 2021	11	0	8	5	6	45%	Q5							Q5	491	168	171	152	171	65%
Q6 Jan - Mar 2022	12	1	10	10	1	92%	Q6							Q6	508	186	247	231	91	82%
Q7 Apr - Jun 2022							Q7							Q7						
Q8 Jul - Sep 2022							Q8							Q8						
total	70	7	51	47	16	77%		0	0	0	0				3329	1457	1039	907	965	71%

Minimum level required 60%   Minimum level required 60%   Minimum level required 70%

Assessment is made late December 2022, for designation announcement early 2023

3.3   Croydon has performed much better on quality of decision making with only two Major appeals upheld during the current assessment period (2.73%) and 29 non-Majors upheld (0.68%). Therefore Croydon is unlikely to exceed the threshold of 10% at the end of the next assessment period – this is likely to be in autumn 2022.

3.4   Although Croydon's appeals record is good there have been two recent major non-determination appeals and two major application overturned recommendations for refusal that could have a significant adverse impact particularly on Croydon's major appeals quality performance in the coming months and years. This need to be carefully monitored.

3.5   We are advised that the planning appeals report to Planning Committee was stopped due to lack of staff capacity. It is important that the Members and officers are kept aware of appeal performance, committee and officer performance and the issues that are arising to help inform future decision making and ensure consistency of decisions and robust decision making.   This does not have to be an onerous task with a simple reporting format.

14

Criteria: Quality
Council:Croydon

	District matter Majors							County matter Majors							Non-majors						
	All Major Decisions	Refusals	Appeals	Dismissed	Appeals allowed	Pending	Result	All Major Decisions	Refusals	Appeals	Dismissed	Appeals allowed	Pending	Result	All Non-Major Decisions	Refusals	Appeals	Dismissed	Appeals allowed	Pending	Result
Quarter 01 Apr - Jun 2018	15	1	0	1	0		6.67%	0	0	0	0	0			493		21	16	5	0	1.01%
Quarter 02 Jul - Sep 2018	11	3	2	1	0		9.09%	0	0	0	0	0			620		30	24	6	0	0.97%
Quarter 03 Oct - Dec 2018	13	0	0	0			0.00%	0	0	0	0	0			488		15	9	6	0	1.23%
Quarter 04 Jan - Mar 2019	24	3	2	1	0		4.17%	0	0	0	0	0			517		17	14	3	0	0.58%
Quarter 05 Apr - Jun 2019	8	0	0	0			0.00%	0	0	0	0	0			546		24	21	3	0	0.55%
Quarter 06 Jul - Sep 2019	11	0	0	0			0.00%	0	0	0	0	0			590		16	14	2	0	0.34%
Quarter 07 Oct - Dec 2019	17	0	0	0			0.00%	0	0	0	0	0			527		19	17	2	0	0.38%
Quarter 08 Jan - Mar 2020	11	0	0	0			0.00%	0	0	0	0	0			489		19	17	2	0	0.41%
total	110	0	7	4	3	0	2.73%	0	0	0	0	0			4270	0	161	132	29	0	0.68%
Maximum level required							10.00%							10.00%							10.00%

3.6 The Council has a high level of delegation to officers circa 96%. There has been a high level of refusals in recent years which is likely to result in more appeals. The lack of a functioning Pre application service due to lack of staff resources will be feeding into refusal rate and the level of appeals (see also section on pre applications).

Quarters	% Granted
Oct to Dec 2021	64
July to September 2021 P	63
April to June 2021 P	72
January to March 2021 P	70
October to December 2020 P	66
July to September 2020 P	68
April to June 2020 P	73
Data Missing	
October to December 2019 P	81
July to September 2019 P	84
April to June 2019 P	84
January to March 2019 P	87
October to December 2018 P	89

15

Use of Extensions of Time (EoT)

3.7   At Croydon, there is extensive use of extensions of time agreements (EoTs). This is quite common with major applications but the extensive use of them for non-major applications is concerning. It appears that they are being used as a 'sticking plaster' to manage the resourcing difficulties being faced by the service at present. This approach is not a long term solution, it is building up the backlog and storing up further difficulties for the future.

3.8   In December 2021, 29% of all applications had an EoT for the rolling 24 month period, with 72% of applications being determined in time or an extension of time; for the October - December 2021 quarter, 35% of non-major applications had an EoT with 65% of applications determined in time; and in July - September 2021, 43% of non-major applications had an EoT with 69% of them determined in time. This was the peak use of EoT's. For major applications, there were 72.7% EoT in the October -December 2021 quarter and 70.5% for the 24 month rolling period. This is less unusual or concerning for major applications. However, it should be noted that, regardless of the use of EoT, in the quarter ending December 2021 only 45.5% of major application were in time or with an agreed EoT.

Applications Flow and Backlogs (in Hand) based on those applications that are included in the DLUHC PS2 returns

Application Flow - Table 133	Total applications received	Total decisions	*% of decisions delegated to officers*	Total decisions granted	*Percentage of decisions granted*	Applications on hand at the beginning of the quarter	Applications withdrawn called in or turned away	Applications on hand at the end of the quarter
Oct to Dec 21	573	530	*97*	340	64	976	37	982
July to Sept 21	640	600	*98*	379	63	963	26	977
April to June 21	785	668	*99*	480	72	875	32	960
Jan to March 21	698	563	96	393	70	777	32	880
Oct to Dec 20	644	624	96	414	66	795	32	783
July to Sept 20	671	531	*97*	361	68	689	31	798
April to June 20	551	537	*97*	394	73	703	28	689
Missing								
Oct to Dec19	563	571	*96*	461	81	628	22	598
July to Sept 19	670	619	*95*	517	84	615	34	632
April to June 19	663	568	*95*	478	84	575	46	624

16

Application Flow - Table 133	Total applications received	Total decisions	*% of decisions delegated to officers*	Total decisions granted	*Percentage of decisions granted*	Applications on hand at the beginning of the quarter	Applications withdrawn called in or turned away	Applications on hand at the end of the quarter
Jan to March 19	618	557	*93*	484	87	543	30	574
Oct to Dec 18	607	526	*94*	467	89	509	43	547

Source: Government Planning Live Statistics

3.9 The table above (from DLUHC live table P133) illustrates the flow of applications and the significant backlog that Croydon is building up, from 547 in October-December 2018 quarter to 982 in the October -December 2021 quarter. Croydon has experienced an increase in applications received during the pandemic, with a high of 785 in April to June 2021. However, this has reduced back to 573 in the October - December 2021 quarter. There was an average of 640 applications submitted and 431 decisions issued in the 12 quarters where the data is available dating back to Dec 2018. The average number of applications submitted in the last four quarter increased to 674 with an average of 590 decisions issued. There was an average of 692 submissions with an average of 614 decisions issued in the year to Sept 2021. In considering the difference in applications submitted and decided over the period since December 2018, it is apparent that there has been an on-going issue with a building backlog (increasing in-hand figure). The critical time was the year from July 2020 until June 2021 when over 400 more applications were received than decisions issued. It should be noted that these figures are only the application types reported to DLUHC and do not include all application types. The backlog will be almost double when the full application workload is taken into account including those applications not included in the Government reported statistics, is considered (see Live Applications in the comparison table below).

Quarters	Application received minus decisions issued
Oct to Dec 2021	43
July to September 2021	40
April to June 2021	117
January to March 2021	135
October to December 2020	20
July to September 2020	140
April to June 2020	14

17

Quarters	Application received minus decisions issued
Data Missing	0
October to December 2019	(8)
July to September 2019	51
April to June 2019	95
January to March 2019	61
October to December 2018	81

3.10 The Table below gives the total number of applications, not just those required for the Government statistics applications types, received in the first quarter (approx.) for each of the sample years. This illustrates that the applications received have gone down slightly over this period but with percentage valid reduced from circa 40% to circa 30%.

1st Quarter (approx.)	Applications Received	Applications valid
year to 01/04/22	1238	388
year to 03/04/20	1346	527
year to 30/03/18	1391	534

Source data provided by Croydon BC – DM Monitoring

3.11 However, when the applications received is compared with the live applications (applications in hand) for the selected comparison week, based on Croydon's Development Management Monitoring which take into account all applications (see below), it identifies a large backlog that is growing and there are very high officer caseloads.

Comparison week	all live Apps	live majors	Max per officer	Ave apps per career grade officer	total staff that week	Decision per FTE
28/3/22-1/4/22	1606	76	85	130	12.4	6.5
30/3/20-3/04/20	1006	59	55	59	17	5.4

18

Comparison week	all live Apps	live majors	Max per officer	Ave apps per career grade officer	total staff that week	Decision per FTE
26/3/18-30/3/18	728	54	49	46	16	4.9

Source data provided by Croydon BC – DM Monitoring

3.12   The table above selects a week from this year, 2020 and 2018 to get a snapshot of the workload levels for each year and how they have changed. The large number of live applications (in hand applications) at present in comparison to previous years is clear. There is also a very high maximum case load and career grade case load (advised to treat this with caution), reduced staffing numbers but only a slightly increased number of decisions per officer. A note of caution, staffing numbers are taken per week and so do vary due to a variety of absence reasons (e.g. leave, sickness etc). The table refers to all applications not just those that are reported to the Government on the PS1/2 returns.

Effectiveness of DM manual

3.13   The DM manual is excellent with a great amount of information and detail that is easy to understand. It is generally well presented with good visual information including screen shots/graphics. Any officer joining Croydon would be well placed to understand the key components of the job and how to access support and advice. It is national best practice. The Head of Development Management advises that there are still more areas to be covered.

3.14   We are told that the DM Manual is used often by officers in day-to-day tasks and is particularly well used by newer officers learning the processes and procedures. The manual is considered by officers as a live document for them to improve and add to. Team leaders have recently been involved in the drafting of the newer areas, as referenced above.

Recommendations

- Reintroduce the appeals monitoring process and include a regular report to Planning Committee
- Monitor major appeal decisions and the Government quality measure using the PAS "Crystal Ball" particularly with reference to the appeals for non determination
- Identify Service, team and officer specific KPIs and ensure they are monitored and included as an integral part of the relevant meetings i.e., Service, Team and 1 to 1s.
- Support with speed of decision-making is being provided through this Development Management Review, Peer Challenge and Planning Committee training
- Through this current Development Management Review and Peer Challenge focus on ways in which speed of decision making can be improved, particularly for non-Majors so that use of EOTs can be reduced.
- Establish targets for reduced use of EOTs focused particularly on non-Majors
- Ensure the DM Manual is regularly reviewed and kept up to date.

19

4.   Job Descriptions (JDs)

General Overall

4.1 The JDs are generally sound and fit for purpose. However, there are some general points that could be used to help improve the consistency and relevance of the JDs. These are outlined below.

- There is a need for general consistency that can be cascaded through the JDs content. It would be clearer if all planning officer posts had the same basic structure and similar content that can then be varied based on the level and experience of each element required for the role. There are some purposes, responsibilities, outcomes and deliverables that should appear in all of them, although the deliverables are more likely to be different and will relate to the specific role and seniority. There should be a clearer cascade of these roles.
- The purpose of planning (delivery of quality place making, high quality developments, sustainable developments, growth etc) is generally missing from the JDs. The Purpose/Key outcomes should be clearly stated on all planners and support staff JDs
- There is mention of sustainable development in most JDs but no mention about delivering sustainable development having regard to the provisions of the Development Plan, in so far as they are material, and other relevant material considerations, unless material considerations indicate otherwise. This should be in all Planners' JDs
- There is a general lack of clear approach to Development Management performance management throughout the JDs. There is no reference to setting individual and team performance targets, or reference to the structures and approaches to ensure effective performance management – 1 to 1s, team meetings, coaching, mentoring etc.
- Reference is made to North and South Development Management Teams but not the Central Development Management team. Therefore an update is required.
- There is a lot of 'process' language that make the JDs sound very production line / administrative in content.
- The DM Manual is not overtly referred to in the JDs, however, everyone at every level should be responsible for identifying areas for update and improvement (although there also needs to be someone responsible for version control/overall approval)
- All the more senior Planner's JDs refer to requiring an accredited post graduate qualification even though accreditation can be achieved without a post graduate qualification. Therefore it may be more appropriate simply to refer to RTPI accreditation.

4.2 In addition to general comments on the JDs the following are specific comments in relation to individual JDs.

Head Of Development Management

- There is very little mention of the post's role in managing Enforcement and Trees
- The reference to KPIs and Performance focuses on reflecting corporate and central Govt KPIs and performance management measures, but in **Deliverables** there is reference to innovate and maintain KPIs, therefore, it does look as if the Head of Development Management has a role in developing/setting KPIs for members of her service.
- There is no specific reference to membership of the RTPI which is unusual for a post of this nature
- There is no mention of managing the Tech Support Team.
- There is no mention of Appeals in the introduction
- The JD Refers to responding to published KPIs but does not refer to creating them for the Development Management team (although it is referred to in 'Deliverables')

- The JD does not include the purposes of planning - delivery of quality place making, high quality developments, sustainable development and growth etc

Development Management Team leader

- No explicit mention of the postholder's Statutory responsibility as a cascade from Development Management manager
- The purpose of planning is missing
- The postholder's responsibility for management is very limited, there is reference to annual personal development Review , but not 1 to 1s, team meetings, support and coaching?
- The references to the postholder's responsibility for planning committee reports, attendance, presentation, and role in managing planning applications within the team are all a little unclear and should be given greater prominence.
- Is the postholder's role in undertaking planning applications and making recommendations on them the best use of a Team Managers' time? Should this be the exception rather than the norm? We suggest that the role should be focused more on managing the team.
- Under **Key areas for decision making** – add 'analysis' and refer to making recommendations for decision makers i.e. committee
- The JD states "responsible for the processing of all applications and related applications within an applications team". However "processing" sounds like a production line – should it perhaps use the word "assessment"?.
- The JD states "Responsible for the efficient processing of appeals to the Planning Inspectorate within an Applications Team" . This wording again makes reference to 'own case load' – this should be the exception rather than the norm
- The JD states "Responsible for the performance management of legislative services within an Applications Team". It is unclear what the management of legislative services is. We suggest this wording is made more explicit / clarified.
- No specific reference to membership of the RTPI which is unusual for a post of this nature
- The Deputy Team leader seems to require more 'management skills' than the Team leader. e.g. the Deputy Team Leader needs to develop 'individual management skills: disciplinary and
- The Deputy Team Leader also requires 'General application of employment legislation' but this is not referenced in Team Leader JD

Deputy Team Leader

- The JDs for Principal Planning Officer and Deputy Team Leader appear to be the same but saved under different titles?
- The reference to Internal Contacts should reference the whole range of internal consultees - a catch all phrase would suffice
- Under **Management of Staff** there is no reference to 1 to 1s coaching or mentoring more junior members of the team.
- Under **Responsibility for Pre app advice** reference should be made to advice to case officers
- There is little reference to performance management and setting of KPIs for team members

Principal Planning Officer

- The post appears to have the same JD as the Deputy Team Leader

21

Senior Planning Officer

- included within the Planning JD.

Planning Officer

- Under Purpose there is nothing about quality of development or sustainability of placemaking
- Under purpose there is nothing about outcomes and in particular forming recommendations in accordance with the Development plan and other relevant material considerations
- Under **Implementation of planning legislative matters** a lot of the requirements would appear to be above the remit for a planning officer?

Enforcement and Trees Team Leader

- Under Purpose there is nothing about outcomes, or about forming recommendations having regard to Planning legislation and the provisions of the Development Plan, in so far as they are material, and other relevant material considerations unless material considerations indicate otherwise.
- Under External and Internal Contacts reference should also be made to statutory consultees
- Under **Other Considerations** it would be helpful to include out of hours site visits and investigations
- Under **Responsible for the processing of planning enforcement investigations and tree works applications** reference is made to 'Evaluating and making recommendations on complex casework having regard to all material considerations'. It would be helpful to specifically reference the development plan.
- With regard to prosecutions the Court work should include High Court attendance for injunctive action
- Under **Essential Experience** the Development Management Team Leaders need several years' experience including complex and strategic development. It would be helpful if the same principle applied for the Enforcement and Trees Team Leader with several years' experience of complex applications and/or enforcement cases and experience of undertaking enforcement action.

Enforcement Officer

- Reference is made to the delivery of a responsive *Development Control Service*. It should refer to a Development Management service.
- The Internal and External contacts need to be reviewed.
- Other Considerations should refer to out of hours site visits

Tech Support Team leader

- Some of the references are quite dated, for example reference to banking cheques
- There is reference to validation but this activity is now carried out by Planning officers
- Reference is made to a duty officer even though we understand that this activity is no longer undertaken by the team
- Under **Management of Staff** there is no reference to 1 to 1s coaching or mentoring more junior members of the team.

Deputy Support Team Leader

- Some of the references are quite dated, for example reference to banking cheques
- There is reference to validation but this activity is now carried out by Planning officers

22

- Review all JDs to ensure they accurately reflect the work that the grade is expected to undertake.
- Include the purpose of planning (delivery of quality place making, high quality developments, sustainable development and growth etc) in all JDs
- Include reference to delivering sustainable development in accordance with the Development Plan and other relevant material considerations
- Review the general consistency of structure; content; and cascade of purpose, outcomes, deliverables depending on role and seniority.
- Include a clear approach to Development Management performance management throughout the JDs. Refer to developing and setting individual and team KPIs; and undertaking performance management functions such as 1 to 1s, team meetings, coaching, mentoring etc.
- Review the language used in the JDs to ensure it reflects the approach to Development Management that Croydon wishes to take. In particular remove some of the 'process' language.
- Update JDs to reference the current structure e.g. so that reference is made to North and South Development Management Teams not Central
- Refer in all JDs the responsibility, at every level, to updating (or assist with updating), improving and implementing the DM Manual.
- Include other issues identified for each JD set out above

5. Officer Morale

5.1 The development management officers appear to be well bonded and have a collaborative and supportive work ethic for each other. There are some long serving officers who bring a depth of experience and the 'shared learning that occurs with the less experienced officers is evident. Team Leaders are very experienced and knowledgeable but are distracted by the level of complaints they need to process and need time to get 'above the parapet'.

5.2 The Council's financial situation, coupled with the increasing workloads has impacted staff morale. Officers perceive that senior leaders within the Council hold 'Planning', as a department, to account for any and all complaints related to the built environment, with a perception that officers must be at fault until proved otherwise; and this leads to a lack of feeling valued as council employees.

5.3 Officers provided experiences of working late hours and weekends to keep on top of workloads. We also heard that officers have had negotiations within their teams as to who can next take time off with stress so as not to impact the remaining officers too much. This is clearly unsustainable and potentially impacts wellbeing of officers in the longer term.

5.4 Issues of staff morale will be considered in greater depth through the Peer Challenge where there will be an opportunity to speak to a wider selection of staff.

Recommendations
- Dedicated time should be given to staff share experiences and problem solve, as well as providing a safe space for voicing concerns. This should be done at a variety of scales. Croydon should programme in a whole department away-day focussed on staff morale and specifically the journey of improvement being undertaken. In addition, time within the Development

23

Management Teams meetings should facilitate a discussion on staff morale and current issues. It is important time is dedicated to staff morale and wellbeing and this should be set aside from business as usual.

- A programme of mentoring should be introduced to encourage peer to peer learning across all levels of the department.

6.   Pre-applications and PPAs

6.1   The Pre applications advice appears to be well differentiated and explained on the website and particularly in the customer advice note. It directs the customer to the anticipated best service for their type and scale of development. Croydon was recognised by the Farrell Review 2013 as best practice in proactive town planning and placemaking- fully embracing pre-application engagement at all levels.

6.2   We were told that Croydon provides a comprehensive pre-application and PPA offer within the Planning service using the knowledge and expertise of Strategic Planning and Strategic Transport to support the case officer in forming their response.   Therefore the resources needed to support the pre-application and PPA service on offer by Croydon reach beyond the capacity of the Development Management teams.

6.3   The Development Team Service (DTS) for the largest and most complex applications directs developers toward Planning Performance Agreements (PPAs). The DTS is intended to speed up the planning process and give greater certainty to the developer. The PPA fee for pre app and post decision will be negotiated. The costs for meetings is set out, therefore the overall cost of the pre app can be assessed based on the number of meetings identified at the inception meeting (£4500 (+ VAT). The note is very clear about the payment of fees. There is also a dedicated officer service, and it clearly states that the additional cost of this will be met by the applicant and set out in the PPA. Clear expectations of both parties are set out and realistic caveats given e.g., external statutory consultees and probity issues regarding Councillors. The Planning Code of Good Practice clearly sets out the procedures for Members and officers to follow in relation to Pre application meetings. The advice is also clear that applicants, for some of the most complex projects, may seek meetings with senior Council officers prior to formal engagement and that these will be free but will not discuss the planning merits of the proposed development. There is a clear expectation that major, complex and sensitive development will undertake a Place Review. Also, any applications where there is doubt if an application will be determined in the statutory timescales there is an expectation that the applicant will enter into a PPA.

6.4   In addition to the Pre-application and PPA service, there is also a range of services to meet the circumstances including: amendments, discharge of conditions and a post decision (refusal) service, all of which meet the needs of the customer at different stages e.g. the post decision service recognises a group of customers that may be dissatisfied with the decision based on advice they have previously received and gives them an avenue to pursue.

6.5   The PPA/Pre-application service seems to be a very clear and comprehensive. However, at present, with resourcing issues and a backlog of applications, it is not functioning as it should. There is concern that although pre application services are available it is not possible to deliver the service offered in a timely fashion due to the lack of resources. This is likely to severely undermine confidence in these services and the Planning Service as a whole. Officers used to

24

do Pre-application responses in 10 days and now take an average of 3 months, therefore, developers are often not willing to wait for this service.

6.6   If it is not possible to resource the pre-application services, and sufficient staffing is not in place to meet customer expectations, it is inadvisable to still offer the same service. However, the lack of any pre-application services is likely to lengthen the determination time for live applications and reduce the quality of outcomes. It can lead to poorer quality applications and developments, more refusals, more appeals and, in the longer term, the need for more resources and greater costs. It will also impact on the ability for Croydon to secure the discretionary income it needs for meet budget targets. Therefore, recruiting additional staffing resources at the appropriately experienced level to undertake this pre-application and PPA services is essential to maintain development quality, speed of determination of applications and to minimise appeals. It is recommended, where possible, to invest in permanent posts rather than temporary staff or consultants, as it would be more cost effective and provide more resilience and stability to the service.

Recommendations
- As Part of Croydon's Resource Review assess the resourcing requirement (skills, experience, and quantity) to effectively resource pre-application and PPA services and the amount of income that can be achieved.
- Join the PAS pre-application / PPA network that is being established as part of the 2022/23 PAS work programme. This will allow Croydon to draw upon good practice and share learning with other similarly sized Councils.

7.   Registration and validation

7.1   Croydon has a very comprehensive set of process notes that are clear to understand and follow a very logical order. There is also a good use of Uniform IDOX to maximise the use of IT to manage and streamline the processes.   According to Croydon's own figures there is an excellent take up of the Planning Portal to simplify the registration process (98-99%). The DM Manual is also used to good effect e.g. through the use of template descriptions.

7.2   Croydon has consciously learnt from other Councils to change the way that validation takes place to better meet customer service feedback. This has involved taking large parts of the validation process away from the Technical Support Team and empowering the case officer to take early ownership of validation and to work with the applicant to avoid minimal multiple handling of the decision-making process. This way of work does work very effectively in many Councils and has nationally received very positive feedback from applicants.

7.3   Unfortunately in Croydon's case the changes in validation have not been a success. Whilst under the management of Tech Support, validation was a quick process and we are told it was usually achieved in 5 working days. There are now substantial delays and it is now not uncommon for validation to take 4-6 weeks.

7.4   The reasons for the decline in performance is primarily due to a lack of staff to undertake the work so that a case officer's time is being split between reducing the backlog and validating new applications. If a case officer is overwhelmed by cases it is not surprising that they do not prioritising the validation of new applications. However, there are other issues with validation that appear to be slowing down the process and these are listed below:

- There is a new local validation list, officers have stated that developers and residents' associations have been informed and detailed comments have been received but not responded to. We are told that the Team Leaders are not currently in a position to progress this work due to other staff shortages.
- IDOX Enterprise appears to only be used by planning officers and so there is double handling with Tech Support using spreadsheets to identify applications that need allocation
- We are told that applications are not always validated sequentially and pressure is put on case officers to fast track some applications
- The allocation of applications is being slowed down by management capacity to find the time for allocating
- The digitisation of old applications is not complete, so reliance is sometimes needed to use microfiche or paper files to complete site histories
- Anecdotally we are also told that the use of case officers to validate applications results in a mini pre-application service with applicants that further delays validation and results in a loss of income that could have been achieved through pre-applications.

7.5   If caseloads were manageable for officers then the current system of validation could provide best practice for the Council and the customers. However, it is clearly not working at present and so changes are needed, even if this is only on a temporary basis. The current system is causing stress on the case officers who are not providing a good service, creating frustration with Tech Support who have to wait for weeks before an application can go live and creating a loss of confidence in the Planning service from applicants.

7.6   We have also been told about IT failures that are seriously hindering the smooth validation processes and creating additional work for planning officers. The review has not researched this matter in detail due to time constraints but it will be considered further through the peer challenge.

Recommendations
- For a temporary period of time revert the validation of planning applications back to the Technical Support Team (following recruitment and training) to free up planning officer time to assess planning applications. This will require additional resources in the Technical Support Team.
- Hold a workshop session with officers and Tech Support as part of recommendation above to help break the cycle of delays in validation
- Provide the necessary technical support to ensure that the Enterprise system is set up to allow allocation of applications to take place without the use of alternative systems
- Use the agents forum to help agents and Planning team to work together and jointly own the performance issues.

8.   Consultees

8.1   We are told that there have been issues with consultees not responding in a timely way which has a detrimental effect on Planning Officers not being able to determine application in a timely way. In assessing the ability of the Development Management service to maintain speed and quality of service, it is important that consultees provide timely and quality inputs. Evidence suggests there is a mixed picture, with many consultees also struggling with resources and therefore unable to feed into the assessment in a timely manner.

8.2   The following comments were received by the officers interviewed in relation to consultees:

26

Ecologist – This input is outsourced to Essex County Council Place Services

LLFA (SUDs and Drainage) – A company, Arcadis, is employed by the Highways Directorate to provide the LLFA function. Written comments are only provided for major applications. There is standing advice for non-major applications. There has been training provided. However, comments are often needed for minor applications, particularly in areas of intensification and incremental issues. We understand this is a particularly significant concern for the public.

Environment Health (Contaminated land, noise etc) - Planning has a good relationship with Environmental Health but there is a lack of resources (finance cuts) and no service was available for the latter part of 2021/22. The Environmental Health service ran out of money and therefore it was not possible to provide a service without running over budget. Environmental Health is due to resume consultations in the new financial year (April 22).

Highways – there are major resource issues with only 2 officers available at the time of undertaking this review. This has caused a significant issue with their ability to comment on applications particularly in relation to the discharge of the construction logistic conditions.

Strategic Transport – Development Management provides funding for 2 Strategic Transport officers to allow capacity to comment on applications.

Waste –we understand that officers rarely respond on waste matters. There is policy document- Waste and Recycling in Planning Policy Document August 2015 – edited 2018.

https://www.croydon.gov.uk/sites/default/files/Bins%20and%20recycling/New_build_guidance.pdf

Built Conservation (Spatial Planning) – There is a lead conservation officer available and a vacant assistant post at the time of the review. We understand that since the review this post has been recruited to.

Placemaking (Spatial Planning) –There has been a reduced response due to vacancies and cuts, so comments are only provided for major applications (they previously commented on select intensification schemes). Development Management provides funding for 2 Placemaking Officers.

The Senior Affordable Housing Enabling Officer (Spatial Planning) -the officer provides advice and is in contact with registered providers but, unlike other London Boroughs, is not able to comment on viability. Therefore, the Council uses a range of consultants for viability advice. However we understand that this post is currently vacant due to budget constraints and this is putting further pressure on the Development Management teams.

Bio diversity net gain – There was no in-house expertise available at the time of the review.

Legal support

We understand that there are a number of issues with the provision of legal advice and these are summarised below:

- there is a lack of flexibility as all advice needs to go through the 'portal';
- There is very limited in-house resource (until recently a 60% of an FTE) resulting in sending out legal advice requests,
- externalising requests have been slow due to the requirement to gain approval from the 'spend control panel'. This has improved as an overall sum has been provided – but only

27

issue based advice can be sought not site specific. This must have a significant degree of risk as it is often site specific details that are key to the legal approach and it makes it more difficult to ask the correct question.

- The externalising of advice is expensive
- various personnel changes at Planning Committee has confused some of the roles taken by the legal officer and the Planning managers
- There was no pre committee advice on planning committee reports –Until March 2022 legal services would only being involved at a very late stage – pre meeting 1 hour before committee.

8.3   The legal advice position has now changed (post March 2022) and the external legal resource attends committee and are briefed on the agenda in the week running up to the committee but not prior to the agenda being published

Recommendations

- The issue of consultee resourcing and the knock-on effect it has on planning needs to be addressed in the service and corporately to ensure pre-application responses and applications can be efficiently assessed and determined.
- Consider the costs and benefit in relation to employing an in-house viability expert and whether recruiting to the Senior Affordable Housing Enabling Officer post could be beneficial as an income generating post.
- Investigate the increase of internal planning solicitor resource (and a clear long term approach to external legal support) that can be more accessible and timely to ensure robust decision making.

9.   Scheme of delegation and Planning Committee code

9.1   Croydon's scheme of delegation and code for Planning Committee is generally very comprehensive and easy to understand. Indeed, in many respects it should be considered as best practice for other Councils to follow. There are a few points listed below that may be helpful at the next review as the current scheme of delegation and code appears to date from 2016/17.

9.2   Referrals relating to residents' associations appear only to relate to objections rather than matters contrary to officer recommendation. This assumes that applications only need a Planning Committee referral if there are objections. However, this is not always the case and in certain circumstances applications recommended for refusal may be supported.

9.3   The decision on who will speak is potentially contentious as the Chair makes final decision on his / her judgement.

9.4   There is limited guidance on enforcement and this could be strengthened.

9.5   The provision for training could be clearer. It refers to the introduction training but what about renewal? In theory under the code a Member could just attend once and then not attend any more training events during their tenure on Planning Committee.

9.6   It is unclear on the roles of officers at Planning Committee e.g. Legal, Lead Officer and Democratic support.

28

9.7   There is confusion on when Planning Sub Committee items get delegated to officers. This was evident at the 27/1/22 Planning Committee.

Recommendations

- Review some of the existing wording in the procedures and code where there could be potential problems. These include:
1. Consider whether referrals should relate to matters contrary to officer recommendation rather than just objections
2. Consider an alternative way of agreeing who speaks when multiple requests are made
3. Consider if there should be refresh training for longer serving Members or compulsory annual training
4. Review the enforcement section
5. Need to review procedures for Planning Sub Committee when time runs out at full Planning Committee to consider the items.

- Consider having the following additional sections including:
1. 1.Clarify roles that the Lead Officer, Legal Officer and Democratic Support Officer should take during the Committee
2. Provide guidance on complaints procedure and reference to Local Government Ombudsman and Judicial Review
3. With regard to Member applications define a close relative
4. Outline provisions for dealing with S106 amendments
5. Set out the different referral routes in a summary table to make it easier to understand
6. Include guidance on private interests separate from Disclosable Pecuniary interests
7. Include a reference to allowing officers to point out any potential costs issues if Members are voting against an officer recommendation
8. Include a monitoring and review section e.g. reviewing decisions of Committee, annual site visit as learning an reflection

10. Quality of officer reports

10.1   Croydon's officer reports, both delegated and those for planning committee, are generally very comprehensive and easy to understand. Indeed, in many respects it should be considered as best practice for other Councils to follow.

10.2   The reports viewed have clear upfront information on key facts e.g. housing numbers, car parking etc and clear summaries of the conditions including trigger points.

10.3   The sample of delegated reports reviewed are well structured and lay out the relevant policy and material considerations in an easy-to-follow manner. They follow a standard format of headings:
1.Summary
2.Decision
3. Planning Background
4.Consultation
5. Planning Considerations
6.Other Matters

29

7. Conclusion

10.4   There were minor differences in the terminology of headings e.g. Planning Considerations, Material Considerations etc.. Whilst these minor differences do not substantively affect the content and flow of the reports it may be worth introducing a standardised template to tighten up the reports further.

10.5   The style, conciseness and good use of diagrams throughout the reports is particularly helpful when it comes to Planning Committee where officers are able to guide Members through the report. This enables Committee discussion to focus on the merits of the scheme rather than multiple questions on technical matters as they are all contained within the report.

10.6   Reports include a discussion of the planning considerations, however they current lack a dedicated section to the relevant development policies. The Croydon Local Plan Review is due to be shortly submitted to the SoS for examination and as such will gain weight as a material consideration until its adoption as part of the development plan for the area. We recommend that reports begin to reference relevant emerging policies, in so far as they are pertinent to the application. This is likely to be more relevant for major schemes which may reflect growth locations within the emerging plan.

10.7   It would also be helpful to have statements on: Human Rights, Equality Act and Financial considerations. These statements will help the Council defend any potential allegations on bias or Council interests.

Use of conditions

10.8   Croydon's officer reports, both delegated and those for planning committee, are generally very comprehensive and the recommended conditions are easy to understand in terms of why they have been recommended and their purpose of mitigating harm where necessary. The conditions reviewed all meet the tests of reasonableness and legality. Indeed, in many respects it should be considered as best practice for other Councils to follow.

Recommendations

- Introduce a standardised template for section headings
- Include a section within reports that reference relevant emerging policies and how they apply to the development as material considerations.
- Include within Reports statements on: Human Rights, Equality Act and Financial considerations.

11.   Enforcement Practices

11.1   The Planning Enforcement Plan 2017 is Croydon's Enforcement Policy. It sets out two priorities for site visits and service standards. The courses of action are helpfully set out and it includes information on cases where retrospective applications have been requested and not submitted. In these cases, there is opportunity for comment, a report and recommendation. It is undertaken in a similar way to a planning application.

11.2   The plan states that the Enforcement service will prepare quarterly update reports on progress and outcomes in relation to higher profile and significant planning enforcement

30

investigations which will be published on the Councils website from time to time. These reports have not been produced.

11.3   Croydon also has a Planning Advice Note (8)- How Planning Regulations are Enforced. It is referred to in the Enforcement plan, but the relationship between the documents is unclear. We question why this Advice Note is necessary and why reference is not simply made to the Planning Enforcement Plan.

11.4   When Croydon experienced budget cuts 1.2 FTE posts were lost. There had been 6 officers, but this was reduced to 4.8 officer and then 3 staff left the Council. The Enforcement Team Leader, more recently, has left the Council. Now out of 4.8 posts there are 4 permanent officers. At the time of the review the temporary enforcement officer was absent. At the time of the review there were 160 enforcement cases per officer with an additional 300 cases unallocated. This is an extremely high case load. Officers have a good resolution rate but the Development Management Manager was need to show more formal action (DM Manager comment)

Formal Action

11.5   In the year to December 2021 Croydon served 2 Breach of Condition Notices and 1 Planning Contravention Notice. This was less than in previous years. However, there has been a reducing amount of enforcement action since December 2017. Croydon takes a very low number of enforcement cases to formal action in comparison to most other London Boroughs.

CROYDON Enforcement Formal Action Year ending December

DLUHC -Table 130

Year ending	Enforcement notices issued	Breach of condition notices served	Planning contravention notices served
Dec-21	-	2	1
Dec-20	2	2	1
Dec-19	3	2	-
Dec-18	5	-	-
Dec-17	7	3	1

Recommendations
- Employ additional temporary staff to increase resources to enable the Enforcement backlog to be reviewed and reduced
- Review procedures for taking formal action by benchmarking against other London Boroughs
- Review enforcement reporting so that it is given greater exposure to Members and senior officer

31

12. Customer service and communication

12.1   We are told that officers at a senior level have concerns at the number of complaints that are directed to the planning service even though most find that the Council is not at fault. There are a large number of complaints received and there are a large number of unresolved complaints and it is clear that the Service is struggling to respond.

12.2   Recently there have been four threats of Judicial Review. And recently one Judicial Review was upheld in relation to a s73 and s73A issue. Development Management Managers are using 'Cobra' meeting to learn from this case and inform procedure notes.

12.3   The Council Complaints Report (21/02/22) identified that Planning had 11 complaints cases with 7 overdue and Enforcement had 5 case, 3 of which were overdue. This is the highest number of complaints of any service except Refuse and Recycling (54). The oldest planning complaint dates back to September 2020. There are also a significant number of Councillor and MP enquiries that are late and dating back a considerable period (e.g. MP enquiry to Planning Technical support – 19/10/20). This lack of response is likely to harm the Planning Service's reputation.

12.4   It is not possible on the information available to ascertain the nature of the complaints.

12.5   There have also been 23 compliments since the beginning of 2021, mainly on professionalism and support with applications, speed and quality of service.

12.6   The most recent Complaints report (June 22) that we were sent – identifies 26 stage 1 complaints,2 stage 2 complaints; 12 MP enquiries; and 2 mayor enquiries. It is not possible to ascertain the reasons for the complaints from the reporting. 5 compliments were received since the beginning of 2022.

12.7   Criticisms of Planning is very visible on social media with a small number of very vocal complainants raising issues about individual members of staff that are very personal.

12.8   Clearly the department has been successful with communicating with agents through an agents forum and it is positive that these meetings have returned following a temporary suspension due to Covid. This is a really important channel of communication with the department on Development Management matters.

12.9   There is evidence that officers are trying to improve communication on planning applications by sending neighbour letters as well as posting site notices. It is unclear whether this improves communication with customers. Whilst we were undertaking the review a number of issues were brought to our attention where neighbour letters had been missed putting the planning decision making process potentially at risk.

12.10   The issue of customer satisfaction will be investigated in more detail in the Peer Challenge.

Recommendations

- Consider a better process for managing the complaints received that identifies the most appropriate level within the organisation where a response should be made and an administrative process for ensuring that complaints are responded to on time. This could include better communication on the Council's website to indicate what matters can be considered as complaints and what matters are outside the scope of the Council's jurisdiction.

32

- Introduce a more formalised learning through experience process so that lessons can be learnt on all areas of Planning including a celebration of things that have gone well and where officers have been praised.
- Work with the communications team to establish approaches to counter negative media coverage and celebrate good stories
- Review the effectiveness of neighbour letters rather than reliance on site notices. If neighbour letters are still required then review the process notes to ensure that the process is robust

33

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Planning Peer Challenge

Croydon Council

21st to 23rd June 2022

Feedback Report

0

Contents

1. Executive summary

1.1 This report summarises the findings of a Peer Challenge review of the Planning Service at Croydon Council. The review was organised at the request of Croydon by the Local Government Association (LGA) with the Planning Advisory Service (PAS) and undertaken on site by its trained councillor and officer peers.

1.2 Croydon Council is going through a time of political change and is delivering its Planning service against a backdrop of significant financial constraint. At the same time the service is experiencing an increase in planning applications, difficulties in recruitment and a high level of public scrutiny. Despite these constraints the service is managing to deliver best practice in some areas, as well as a strong commitment to working with its communities and developers to improve the service.

1.3 However, the Council's ability to deliver a Planning service is close to breaking point. The service is at a very significant crossroads; if improvements do not take place urgently then the Council will not be able to manage an effective Planning service. This will have enormous implications for everyone who uses and benefits from the Planning service at Croydon. The Planning service needs an improvement plan that is focused on meeting the needs of Croydon residents, the development community, the political administration and the staff who are employed in the Planning service. It will not be a success unless all these players are included.

1.4 The peer team found a group of very professional and knowledgeable staff who are clearly capable of meeting the Planning challenges in Croydon. However, workforce reductions in recent years have resulted in workloads for individual staff that are unmanageable and this is having an impact on staff wellbeing. It is essential that staff wellbeing issues are addressed and that staff are properly supported both in terms of workload and from pressures that they receive from applicants and the wider community. Croydon's Planning service is only as good as the staff who work in the team and so it is important that staff retain the motivation to do a good job and are valued.

1.5 There are some real positives that can be built upon. Councillors recognise that they are on a learning journey with officers. Councillors understand how they can benefit from further training, benchmarking with other councils, and mentoring so that the Council's strategic priorities can be delivered through sound and defendable policy making and decision making. In the same way, Croydon has a team of very dedicated managers and officers who are highly professional and knowledgeable.

1.6 The review of the Local Plan is making very effective and significant progress. Croydon also has a good track record of adopting and delivering local plans and in policy making generally. There is clearly a need to review the policy direction following the change in political administration. This needs to be undertaken in a collaborative way to avoid significant delays in the plan making process and subsequent potential unintended consequences of reduced local decision-making powers.

1.7   The decision to both review the Local Plan and to revoke Supplementary Planning Document 2 (SPD2) is a significant one. The peer team understand one of the key drivers for revoking SPD2 is to address the unpopular policy on suburban intensification and to address community concerns on the impacts of the guidance on the character of the area. The peer team considers it is really important that an appropriate replacement to SPD2 is progressed as a matter of urgency as set out in the Cabinet report of 22nd June 2022 to ensure there is continued consistent decision-making.

1.8   There are a number of quick wins that can be delivered to enable officers to be more efficient and meet customer needs. The current validation process is clearly not working and a decision needs to be made on the direction that the Council wishes to take to increase the speed of validation. Enforcement is also clearly not meeting community expectations. It is important that officers and councillors work together to ensure that workloads can be effectively managed, that the service clearly communicates to the wider community its priorities and sets realistic expectations of the powers the council has to enforce Planning regulations.

1.9   The Council is currently being significantly constrained by its ineffective IT systems. Officers are wasting valuable time working with inefficient and unreliable IT. This covers a range of software usage but there is particular concern from the peer team that the Council does not use the Uniform Planning software system to its full capabilities. The IT issues are a Council-wide problem and must be addressed corporately.

1.10   In order that the Planning service recovers from its current precarious position it should be on the front foot with regard to positive community engagement. The perception from many about the Planning service is of a lack of transparency, bias and inefficiencies. Evidence does not support this view, but the service has to accept that it has a job to do to change these perceptions. It could start by instigating a more effective communications strategy.   There are very knowledgeable and active community associations in the borough, and a lot of social media speculation. The Council must avoid being drawn into responding to speculation, but should be more positive in its use of communications and social media.   For example it could communicate how it learns from experience, how decisions are made in a transparent way, and it could agree to improve customer response rates with the users of the Planning system. It could also communicate the benefits of a quality planning service, such as providing housing, jobs and associated infrastructure, through CIL and s106 receipts. The Council needs a communication strategy to demonstrate how it will communicate positive messages and have positive engagement with the knowledgeable and active community groups.

1.11   It is clear that the Planning service is not the only service in the Council that is struggling for resources. The shortage of staff among the Council's key consultees for Planning applications is impacting on the ability to make Planning decisions. The peer team suggest that more focus should be given by consultees to allow the Planning team to help themselves through the use of standing advice, protocols for engagement, and improved training for Planners.

1.12   Whilst planning application fees are fixed nationally, pre-application and Planning Performance Agreement (PPA) fees are negotiable and when the service engages effectively in this way it is productive and appreciated by applicants. The Council needs to look at how it can maximise this income stream and the potential for it to be used to better resource the Planning service. Pre-applications are also looked at with cynicism by some in the community as a way of agreeing Planning matters 'behind closed doors'. This perception needs to be addressed and there is a great opportunity for not only increasing income but for better communicating the role of

through pre-applications and PPAs as well as selling the benefits of pre-application engagement with the wider community.

1.13　The Planning service also needs to be aware of changes in the Planning system that are coming forward through the Levelling Up and Regeneration Bill. Whist the details are still being considered in Parliament, the Planning service needs to ensure that it is ready for these changes. For example, the proposed changes to the Local Plans adoption process and the digitisation programme must be factored in as part of Croydon's plans for the Planning service.

1.14　The overriding issue facing the service is a lack of planners and support staff to carry out the Planning function effectively. Undoubtedly, the Planning service is under resourced. Increasing resources needs to be a primary action to avoid the Planning service breaking. However additional resources need to be coupled with a clear plan on how the Planning service will be rebuilt, drawing on the existing best practice, better engaging with its customers and changing practices where they are needed. With this clear plan the peer team considers that Croydon Council's Planning service has every chance of providing an excellent Planning service that makes sound, timely and defendable planning decisions that meet the priorities of its communities and those wishing to invest in and deliver development in the Borough.

2.　Key recommendations and findings

2.1　There are a number of observations and suggestions within the main section of the report. The following table summarises the key / priority recommendations and more detail can be found in the main body of the report. These recommendations need to be brought forward alongside a review of resource capacity, the Development Management process review work, councillor training and other wider corporate improvement work so that it forms part of a wider package of improvement for the Planning service.

1.	**Review the Planning Service** as part of a Corporate transformation/improvement Plan. The Council should be mindful of the consequences of under resourcing the service and recognising the income generation potential of Planning. A focus also needs to be given on promoting the outcomes of a good planning service – the creation of housing, jobs, infrastructure to benefit existing residents - to counter-balance the current negative view of planning.
2.	**Improve the engagement with residents, partners and developers**. Consider additional communications resource and a strategy to counter the negative narrative that has become the norm including Inside Croydon and embrace residents' desire to get involved and work with Planning so that it is a positive and collaborative relationship.

3.	**Develop a strategy for effective engagement and communication to rebuild trust with local communities that works alongside the Plan Making engagement process**. This should involve a range of initiatives that are agreed and communicated through the community networks and Member engagement and could include: - The establishment of a learning through experience process to better understand both positive and negative community feedback so that officers can better engage with communities in the future - Carry out well publicised quick wins through improvements to the accessibility of the website and improved customer response times - Better communicating how the Council ensures transparency in decision making and other conflicts of interest - Improve communication with the development industry through a greater focus on local agents and re-inforcing the importance that is already being given to the developer forums
4.	**Learn from best practice elsewhere** and use PAS as an option for member and officer training. In particular consider mentoring options for key councillors and officers so that they can be provided with an outlet for discussing approaches to the very significant issues that are being encountered in Croydon on a day-to-day basis. This should be coupled with a wider staff retention and development strategy including the promotion of the positives/benefits of working for Croydon and providing clear paths that allow staff to develop themselves within the organisation
5.	**Utilise the willingness on all sides to re-set relationships and trust between officers and councillors**. This should be focused in particular on: - Working together on creating more productive and collaborative Planning Committee meetings where councillors and officers work together to make sound and defendable decisions - Working together to review the existing Planning Committee code and scheme of delegation so that the community has their right to be heard whilst still enabling the Council to meet wider requirements on speed, quality and delivery. For example, the management of the Planning Sub Committee appears to be confused for all participants in its operation - Allowing officers to work more efficiently to meet targets based on speed and customer needs - Having a better engagement with internal and external consultees and residents - Agreeing ways in which investment in the Planning service will deliver the greatest benefits
6.	**Empower officers and councillors to work together to review the Planning policy direction of the Council.** Officers should work collaboratively with the Mayor, Cabinet, other councillors and the wider community on the Local Plan Review and future supplementary planning documents. The opportunity for a policy review will give a unique opportunity to build relationships between officers and members by finding common ground and an understanding on how Croydon's approach can align to national and London wide policy approaches. It will also ensure that all sides understand the consequences of any policy review. Councillors should be guided by officers on how such changes can take place whilst still retaining strong decision-making powers.

7.	**Review the Council's approach to validation** so that there is a clear understanding, rationale and messaging on Croydon's approach to validation that provides an appropriate balance between speed and quality. Whichever approach is taken it needs to be appropriately resourced to meet Government targets on speed of decision making and customer / community expectations.
8.	**Review the current IT investment as part of a wider transformation programme.** The Council needs more efficient processes and to avoid wasteful use of officer time. In particular there needs to be a focus on the ease to which officers can access different sources of essential Planning information. IT should be used as an enabler, and the focus should be on getting the most out of the current Planning software systems (Uniform) to ensure that it meets the requirements of all users. Benchmarking with other London boroughs and beyond will greatly assist Croydon in this task and will help it improve its in-house knowledge. It should be linked to a review of the Council's data standards and its approach to digitisation as part of the impending planning reforms. This will ensure that Croydon is aligned to national best practice and to ensure that Croydon keeps on pace with its obligations as part of the planning reforms.
9.	**Carry out a joint initiative between councillors and officers to refocus and manage planning enforcement capacity and expectations**. There needs to be clear messaging to the community on the priorities for enforcement and the level of enforcement that can be achieved with the resources available. To assist with this the Council should undertake two specific areas of work: • Carry out a 'blitz' of existing cases to reduce the caseload and communicate clearly the reasons why some enforcement cases will be pursued and why others will not. • Undertake well publicised and targeted enforcement initiatives that demonstrate clear action and identifies the areas of enforcement that are being prioritised by Croydon In addition, Croydon could look to other Councils who deliver a high performing enforcement service to develop tools and templates to help the efficient management of the enforcement service.
10.	**Work more effectively with consultees to better use the resources available to deliver timely and quality advice for decision making**. This should include: • Focusing where appropriate on developing standing advice, template responses and officer training so that planning officers can make better informed decisions without the need for consultee advice in all cases • Make better use of consultation surgeries and regular catch-up meetings to ensure more timely and consistent responses are provided • Agree clear protocols on when consultee advice is needed and timescales for delivering the advice
11.	**Refocus pre-application and PPAs procedures to provide better service to customers and maximise income**. Relevant officers should join the national PAS programme on best practice in pre apps and PPAs so that they can share best practice from Croydon as well as learning from approaches taken elsewhere in the country

12.	**Cultivate the excellent best practice that is already being shown with the "Cobra" officer meetings** so that a clear steer is given by the senior officer management team on the approach that should be taken for strategically important development proposals. This consistent and considered messaging should be owned by the political leadership of the Council to foster improved officer / councillor relations. Cobra meetings should also be used as a way to allow more junior staff to develop their skills and understanding of the strategic direction of the Council so that future leaders can be developed and encouraged.

3. The peer challenge approach

The Peer review team

3.1   Peer challenges are delivered by experienced elected councillor and officer peers. The make-up of the peer team reflected the focus of the peer challenge and peers were selected based on their relevant expertise. The peers were:

- **Marilyn Smith -** Head of Planning and Assurance, Inclusive Growth, London Borough of Barking and Dagenham
- **Cllr Ian Ward –** Leader Birmingham City Council.
- **Shelly Rouse** – Principal Consultant, LGA / Planning Advisory Service.
- **Peter Ford** – Peer Challenge Manager: Principal Consultant, LGA / Planning Advisory Service

The Planning Advisory Service (PAS)

3.2   PAS is a Local Government Association (LGA) programme which is funded primarily by a grant from the Department of Levelling Up, Housing and Communities (DLUHC).

3.3   It is our principal mission to ensure that local planning authorities (LPAs) are continuously improving in their execution and delivery of planning services.

3.4   To achieve this, the PAS work programme focuses on:

- Helping local government officers and councillors to stay effective and up to date by guiding them on the implementation of the latest reforms to planning.
- Promoting a 'sector-led' improvement programme that encourages and facilitates local authorities to help each other through peer support and the sharing of best practice.
- Providing consultancy and peer support, designing and delivering training and learning events, and publishing a range of resources online.
- Facilitating organisational change, improvement and capacity building programmes - promoting, sharing and helping implement the very latest and best ways of delivering the planning service.

3.5   PAS also delivers some of its services on a commercial basis including change and improvement programmes for individual and groups of planning authorities in England, Scotland, Wales and Northern Ireland.

Scope of the review

3.6   The scope of the review was developed following initial conversations and correspondence with Croydon Council as well as consideration of the background documents supplied to the peer team in advance of the review. These helped the peer team to shape their focus of the

peer challenge around the following five core components as they relate to the functioning of the shared planning service. The peer team feedback is presented against these five key themes.

- Vision & Leadership
- Management and resources
- Working with Members
- Community and partnerships
- Outcomes and delivery

3.7   Croydon Council also asked that PAS provide a view on the following additional areas in its considerations against the main themes listed above:

1. Analysis and evaluation of development management performance. This should include a review of the efficiency and effectiveness of decision-making arrangements in relation to speed, quality and outcomes.
2. Consideration of the effectiveness of the respective roles of officers and members in presenting and determining planning applications at the Council's Planning Committee. This will include the quality and effectiveness of the officer reports to aid decision making by Members.
3. A review of the Council's current scheme of delegation in ensuring that appropriate applications are being brought to Planning Committee for decision making. This will also looking at any bottlenecks in timely decision making that the current scheme of delegation may be causing.
4. A review of how the Council manages post decision matters in terms of processes and staff resources. In particular this relates to the management of the enforcement processes within the Council.
5.   Consideration of the effectiveness of the Council's current response to complaints about the Development Management service and strategies that the Council may want to employ to reduce both the volume of complaints and the resources taken to deal with individual complaints.
6. Consideration of the current structures to meet the volume and type of Development Management work carried out by the Council

3.8   Some of the matters outlined in para.3.7 are detailed in nature and therefore the Peer Challenge forms part of a package of support that PAS is currently providing for Croydon. PAS is also preparing a Development Management process review that is looking in greater detail at Development Management performance and the processes and procedures followed by Croydon to deliver its Development Management function. On 20th June 2022 PAS also delivered a training session to the Croydon Planning Committee looking at defendable decision making.

The peer challenge process

3.9   Peer challenges are improvement focused and it is important to stress that this was not an inspection. The process is not designed to provide an in-depth or technical assessment of plans and proposals or to undertake a forensic analysis of services. The peer team used their experience and knowledge of local government to reflect on the information presented to them by people they met, things they saw and reviewed this through a strategic lens. The Peer challenge has been designed to add value to a council's own performance and improvement plans.

3.10 The peer team prepared by reviewing a range of documents and information, including a position statement prepared by Croydon, to ensure they were familiar with the planning service and the challenges it is facing.

3.11 The team carried out the core of the review onsite over 3 days. As well as in-person, some meetings were held virtually before, during and after the onsite review. During this time the team gathered information and views from approximately 60 people, in addition to further research and reading.

3.12 This report provides a summary of the peer team's findings. In presenting feedback, they have done so as fellow local government members and officers. By its nature, the review represents a snapshot in time. The peer team appreciate that some of the feedback in this report may touch on things that Croydon is already addressing and progressing.

3.13 The peer team has presented a verbal summary of this report and recommendations to an audience made up of those that took part in / were interviewed as part of the review.

3.14 The peer team would like to thank councillors, staff, community representatives, customers and partners for their open, honest and constructive responses during the review process. All information collected is on a non-attributable basis. The team was made to feel very welcome and would especially like to mention the invaluable assistance and excellent onsite support.

4. Context and background

4.1 The Peer Challenge was undertaken against the context of the recent financial constraints imposed on the Council. In October 2020 Croydon Council issued a S114 Notice setting out that it was unable to set a balanced budget. As a result the Croydon Renewal Plan was commissioned in November 2020 that set out a financial recovery plan to help the Authority take the first steps to becoming an efficient, effective and financially sustainable Council.

4.2 The Croydon Renewal Plan assisted in the discussions with Central Government to secure the Capitalisation Direction from Central Government with an aim to the Council setting a balanced budget within 3 years. Croydon also has an Improvement and Assurance Board in place to provide assurance to Government and the people of Croydon on the implementing of the changes required.

4.3 As a result of the Council's precarious financial situation the Council made 15% cuts to the staffing establishment in June 2020, which resulted in a reduction of 5 posts across the grades in the Development Management team. In addition to this, the team was also required to let their remaining 4 contractors go with no notice period. This reduction in resource was in addition to the 2017 restructure with savings made from the reduction of technical support post and an enforcement post.

4.4 Prior to the May 2022 elections the Council had a Leader and Cabinet model and was under a Labour administration. Following a referendum in Autumn 2021 Croydon residents voted to change to a directly elected Mayor model in a governance referendum to determine how the council will be run. In May 2022 the elections were held to elect Croydon's first directly elected Executive Mayor and Ward Councillor elections. The election results returned Jason Perry (Conservative) as Croydon's first directly elected Executive Mayor, and the ward councillor elections (and the subsequent by election at the end of June 2022) returned a politically balanced council of 34 Labour, 33 Conservative, 2 Green and 1 Liberal Democrat councillors.

4.5 Planning policy development is led by the Plan Making Team – Spatial Planning and the Council currently has an up-to-date development plan for the plan period up to 2036 comprising the:

- Croydon Local Plan 2018
- South London Waste Plan 2012
- The London Plan 2021

4.6 The Croydon Local Plan was prepared and adopted under the previous administration. The Spatial Planning Service was in the process of undertaking a partial review of the Local Plan following the adoption of the London Plan in 2021. The Local Plan partial review had been out to consultation at Regulation 18 and Regulation 19. The partial review of the Local Plan has been paused due to the political commitments made by the Mayor, new administration and a new Local Plan Review programme will be published in due course. The Mayor made a political commitment to revoke the Croydon Suburban Design Guide – Supplementary Planning Document (SPD2) and the SPD was revoked by the Council on 25th July 2022.

5. Vision and leadership

Leadership in the Planning Service

5.1 There are many strengths that can be seen in the way that the Planning service is led. Managers are clearly dedicated to providing a good Planning service for Croydon and this is replicated by a group of officers who work tirelessly to do the best job they can with the limited resources available. Clearly this is appreciated by some within the development industry and the peer team heard comments such as "Croydon has really dedicated officers who work well with us"

5.2 Through the Development Management process review work the team observed some excellent procedures in place that could be held up as best practice. For example, the officer reports are very well written with detailed analysis of the issues that are related to policy and well-informed recommendations that reach logical conclusions. The Development Management internal manual is very comprehensive and easy to understand, making it an essential compendium of processes for both new and more experienced staff to follow.

5.3 However the service is currently firefighting and losing. There is a feeling that the service is at the point of breaking and staff have developed a siege mentality brought on by the overriding pressure of high workloads. They have no headspace for finding solutions to the current predicament – any attempt to discuss solutions is met by the mantra "I haven't got time!". This situation is not limited to the planning service but is endemic across the Council. As a consequence there is a tendency for staff to be insular in their day-to-day work that is indicative of work pressures.

5.4 There is an urgent need for senior managers to step back and take a strategic approach to increasing resources and how to make the best use of currently available resources to improve efficiency across the service. In summary, Croydon's planning service needs an Improvement Plan. There is a clear lack of staff resources in the planning service and elsewhere among services that support Planning. To avoid the service breaking there needs to be more resources put into the service alongside improved efficiencies. Both are needed and one cannot be effective without the other.

Leadership and decision making at Planning Committee

5.5 The new Planning Committee is still establishing itself and it is perhaps a little premature to assess its effectiveness after only one Committee meeting (held on 16th June 2022). In discussions with Members of the new Committee it is clear that they are keen to learn from officers, each other and best practice elsewhere. They are committed to ongoing training and that it should include Ward councillors. This is perhaps illustrated by the good turnout and engagement of Members at the Planning Committee training led by PAS on 20th June 2022. It

is very encouraging to learn that the Chair of the new Planning Committee would like to use the offer of an [LGA mentor](#) as part of his own commitment to continuous learning and aspiring to best practice.

5.6   At the Planning Committee that the team observed there was a clear reluctance from councillors to support the officer recommendations on all four applications considered at the Committee because of the mistrust of some councillors to the guidance set out in SPD2 and the weight that officers attributed to the material planning considerations (see also see section under Leadership in Planning Policy below). As a new Planning Committee there is now the ideal opportunity for officers and councillors to work together in rebuilding mutual trust and improve the operation of the Planning Committee.

5.7   The peer team found the relationship between the main Planning Committee and the Planning Sub Committee particularly confusing. The scheme of delegation is set up so that applications of a smaller scale are dealt with by the Planning Sub Committee at the end of the Planning Committee meeting and this avoids the full Planning Committee having to deal with all planning application items. However,r the peer team observed that the Planning Sub Committee was placed at the end of a very long Planning Committee meeting with a cut off time for business to be completed. If all the business of the Planning Sub Committee is not completed within this time the item is delegated to officers. Therefore, interested parties to a minor development might have to wait many hours for their item to be heard only to find, as was the case with the Committee the peer team attended, that the item was simply deferred to officers and not debated by the Committee. This would appear very unfair to all parties and sends the wrong message when Croydon Council is clearly trying to demonstrate inclusive leadership across the political parties that should result in open and transparent decision making.

Leadership in Planning policy

5.8   The new political leadership has expressed a clear desire to amend a key part of Croydon's existing policy framework and this relates to the policy of intensification previously outlined in SPD2. This has now resulted in a Council decision to revoke SPD2 so that issues of design and character can be given greater priority to matters surrounding intensification. Whilst there are clear political disagreements on the value of the policy on intensification (including as set out in Policy H2 of the London Plan 2021) it is notable that candidates from both Labour and Conservative at the recent Mayoral election recognised the need to change the current SPD2 guidance.

5.9   In order for this policy change to be made the Council needs a clear strategy on its response to the London Plan and how it will enact these changes whilst also maintaining sound and consistent decision making. The revocation of SPD2 by the Council has also instigated the production of a residential extensions and alterations SPD and it is acknowledged design guidance will be required in due course linked to the Local Plan Review programme. However, the peer team was told by both officers and councillors that they were concerned about the soundness of decision-making relating to intensification in the short term while the SPD is being reviewed.

5.10 The revocation of SPD2 is a major opportunity for the mayor, councillors and officers to come together to rebuild trust and ensure that SPD2's replacement creates confidence in sound decision-making that has the support of the wider community. It also creates the opportunity to de-politicise Planning through strong cross-party leadership led by a Mayor who can foster co-operation and identify common ground.

Page 92

5.11 With regard to Planning policy direction Croydon must be careful not to let areas of disagreement with the current Local Plan 2018 and Local Plan Review overshadow the many areas where there is already agreement. Croydon has an excellent record of Planning policy making and the current Local Plan has reached Regulation 19 consultation stage. It is really important that the need to review does not send the Local Plan process back to Regulation 18 stage which will add a significant period of time / delay to the plan making timetable. Until the Local Plan is adopted there is a potential for Local Plan 2018 policy to become dated – a lack of up-to-date policies which affects the independence of the decision making of the Council. This may have unintended consequences for delivering and achieving the development outcomes that the Council desires. When there is a dated policy context more reliance will be given to the London Plan and to the National Planning Policy Framework (NPPF) national policy.

5.12 In the same way SPD2 is clearly considered by the ruling administration as not being fit for purpose and this has now been confirmed through a Council decision. It is important that the Council agrees how the guidance in SPD2 needs to change and ensure that the right guidance is in place that balances the need for housing delivery against qualitative issues such as character, design and densities. The statutory requirements for the adoption of supplementary planning documents is likely to change through the Levelling Up and Regeneration Bill with the requirement for an independent examination. This will inevitably extend the process of adopting future supplementary planning documents if the Bill is passed as currently worded. Officers, councillors and the wider community need to work together on achieving the objectives in revoking SPD2 and need clarity of expectations, beyond the recommendations set out in the report to Council on 22nd June 2022 regarding the revocation of SPD2.

6. Management and resources

Quality and quantity of staff

6.1 The Planning service has many excellent staff who are extremely knowledgeable, act very professionally and are clearly committed to providing the best service they can for the residents of Croydon. This was the conclusion drawn from the clear, considered advice provided at Planning Committee and the evidence from written material such as the officer reports. This level of professionalism was further borne out by feedback from some of the developers interviewed as part of the peer challenge. The peer team heard comments such as "Croydon is one of my favourite Councils to work with". The staff structure set up also appears sound with clear lines of management and team structures in place. The peer team understands that Croydon formally had a Strategic Applications team leader who would drive the key strategic projects at the Council. Due to budget cuts the peer team understands that this post was deleted but has been reinstated within the Central Team. As Croydon has significant regeneration opportunities it is important that this dedicated resource to drive growth is retained alongside the "Cobra" management meetings.

6. 2 Notwithstanding the positive feedback from some users of the Planning service there were also many negative comments and these largely focused on the lack of communication. This was usually levelled at response issues illustrated by comments such as "the officer never returns my call" or "there is no point in emailing because I never get a response". Linked to this issue a clear symptom was revealed by the Development Management process review that staff are currently significantly overworked to the point that it is not only impacting on customer service but is also having an impact on the wellbeing of staff. Workloads for individual staff are

unmanageable and cannot be sustained. This was clearly acknowledged by many of those who levelled criticisms at the Planning service.

Validation process

6.3   Croydon has made a conscious decision to move validation from a Technical Support function to a Planning Officer function. The peer team understands that this decision was made to create a more customer focused response to validation whereby the case officer 'owns' the planning application from beginning to end. However, the peer team was also told that, due to the need for budget savings, the planned increase in resources within the Planning Officer teams to manage validation was not possible. The approach of Planning Officer validation is followed by other Councils very successfully. However, in reality it has significantly slowed the validation process from a quick (within 5 days) process to an elongated (6 weeks plus) process that is taking a significant amount of officer time (we heard up to 50 per cent of an officer's time) and causing a crippling impact on the speed of decision making. In addition, the time taken to validate severely impacts the time left for an officer to make a recommendation. The peer team understands there are currently 31 appeals because a decision was not made within the statutory time limits. This in turn causes more work for the officers by having to deal with the appeals.

6.4   The validation process is therefore not now meeting customer service expectations, resource efficiencies or timeliness and it must be reviewed as part of the wider review of the Planning service. More detail on validation is covered in the separate PAS Development Management process review report.

Use of IT resources

6.5   The peer team heard that one of the major inefficiencies identified in the Planning service was in the use of IT. Case officers told the peer team that they had to go to a number of different sources to do a simple constraints search for a planning application because information is kept on different GIS sources or other separate databases. In the same way planning histories are retained on different formats with information still retained on microfiche, paper files etc. These inefficiencies are significantly increasing the time officers spend on simple searches due to the dispersed nature of the information when their workloads are already causing wellbeing issues.

6.6   As with most other London boroughs Croydon uses the Uniform software system to manage its planning applications. However, Croydon does not use Uniform to its full capacity. For example the project management tool known as Enterprise has been purchased but officers do not use it and use duplicate resources such as spreadsheets to manage their workload. When questioned why staff do not use Uniform to its full capacity the reason appears to be that there is a lack of knowledge among staff of the extra functions or if staff do understand it they work in other parts of the service and have insufficient time to work on the Uniform system. The peer team understands that there is a lack of knowledge and / or time to dedicate the resources to properly invest in the Uniform system.

6.7   It is clear that at present staff simply do not have the time to improve the IT capabilities within the Planning service and they need the support from outside the service to make the improvements they need. The service cannot afford *not* to invest in IT efficiencies and training because one of the causes for the unacceptable workloads is due to the time staff are spending on tasks that should be straightforward. The peer team considers that the only way to break out of this cycle is to invest in IT improvements and training staff as part of a wider Council

transformation programme alongside calling upon support from other London boroughs to make best use of the Uniform system.

Planning enforcement

6.8 Planning enforcement is a clear political priority in Croydon and the expectations of both councillors and the wider community with regard to response times and action are not being met by Planning Officers. The peer team understands that there are 4.8 Planning Enforcement Officer posts on the staff structure, but it has proved very difficult to recruit to key posts such as the Deputy Team Leader. This is causing a significant backlog of cases with each officer having over 150 cases and over 300 currently unallocated.   The peer team was told that one of the main reasons for this backlog of cases is due to the number of complaints being generated over construction management and on-site problems, which need a speedy response but is currently is being strained through a shortage of staff.

6.9 The PAS Development Management process review report provides more information about planning enforcement capacity issues. The peer team considers that the current arrangements are simply not fit for purpose and the current Enforcement Policy needs updating to address key enforcement priorities. Separate to the Council's ability to recruit more officers the peer team considers that there are two initiatives that the Council can implement to redress the clear tension over enforcement.

6.10 **Carry out an enforcement 'blitz'** – In order to bring the number of cases down to a manageable level officers need to take a robust approach to prioritising the existing enforcement against the existing enforcement policy. They also need to take the decision to close those cases where no further action should be taken because there is minimal harm or where there is either no breach of planning, where it is not expedient to take action or where limited public interest in taking further action. Action from this 'blitz' should be agreed with and then owned and supported by councillors and followed up with regular reports to relevant councillors on prioritisation and workloads either through a regular Planning Committee reporting mechanism or other councillor meetings.

6.11 **Undertake targeted enforcement initiatives** – once the 'blitz' has been carried out to remove non-cases, targeted initiatives could focus on subject areas of particular concern for Croydon where a targeted campaign could deter others from carrying out similar action. Such initiatives would be a clear demonstration of the impact of planning enforcement action and in turn reduce officer workloads in the longer term. It would be important that councillors are involved in the prioritisation of these enforcement initiatives and work with officers to collaborative working as well as allowing councillors to understand better the process of taking appropriate and proportionate enforcement action.

6.12 There is the opportunity for Croydon to look to other London Boroughs to find good planning enforcement practice for learning and best practice. In particular the Council may want to seek support from Brent, Ealing and Barnet.

Internal consultees

6.13 The support provided to the Development Management process by internal consultees appears to be very variable and slow responses by some consultees are causing a bottleneck with the issuing of planning decisions. Some agents see case officers as being merely the 'post boxes' for consultees and would like to see them supported to use their skills as Planners to negotiate solutions to problems.   It is important that junior staff who perhaps lack experience are

supported and given the confidence to work with consultees on finding solutions to objections or deciding when a consultee comment is critical or just desirable.

6.14 Lack of resources is a Council wide problem and the current financial predicament the council finds itself in means that it is unclear exactly when it will be in a position to invest in the service to address the recommendations in this report. The Council will need to come to a view whether to invest to save in the planning service bearing in mind that efficiencies alone are unlikely to halt the service from breaking. This can come from various sources. Examples include:

- Creating standing advice from specialists on the more straightforward applications so that case officers can make their own judgements;
- Surgeries that specialists run so that verbal advice can be provided quickly on more straightforward applications; and
- Template responses from consultees to minimise the time that specialists need to take to provide advice.

6.15 The peer team heard from one consultee who had considered the options outlined above and agreed that all three would significantly help with managing their workloads and performance. However, the reason for not making progress was because staff were too busy to do anything other than respond directly to planning application requests. The peer team considers that because of the work pressures internal consultees cannot afford *not* to work with the planning team and introduce improved ways of working otherwise the workload pressures will not reduce, performance will continue to be poor and staff wellbeing will suffer accordingly.

6.16 It is also important that case officers are given the opportunity to develop their experience and confidence in a range of specialist areas rather than having to refer to the individual specialist. The ideas outlined in para 6.14 will help give staff increased confidence to interpret standing advice provided that this is supplemented by training from the specialists concerned. The areas of expertise where this is perhaps most relevant is in assessing transport and flood risk impacts. It would also be helpful if it was clearer when reference to specialists was required and when case officers should use their own judgement, similar to the current process between Spatial Planning and Development Management. This could be in the form of a simple consultation protocol giving trigger points for consulting specialists, when reference to consultees is a statutory requirement etc. The peer team heard that the Transport Officer was consulted on 'virtually every application just in case'.

6.17 Support from Legal officers was raised as a concern by some of the individuals interviewed by the peer team. Due to staff cuts legal advice is largely outsourced at Croydon. Outsourcing of advice in this way is very common throughout the country, particularly in smaller Councils, and is often an appropriate response to creating savings rather than the Council employing its own Planning lawyer. However, the peer team heard that there are concerns in how the legal service is being provided for in Planning. In the peer team's experience it is usual for a Council of the size of Croydon to be able to sustain its own in-house Planning legal support. The peer team heard no criticism of the quality of service, but there were concerns expressed by a number of sources within the Planning service that the legal advice was under-resourced and the internal administrative processes were slow. Of particular concern was the lack of a consistent legal presence at Planning Committees and to support the appeals process. These two areas are critical for the efficient and effective decision making at any Council and without robust and timely advice there is a significant risk to the reputation of the Council as well as a significant financial risk.

6.18 Further consideration of the role of internal consultees is outlined in the Development Management process review report.

Management of complaints

6.19 A significant amount of senior officer time is spent on responding to formal complaints. Planning has some of the highest number of complaints within the Council and some of the poorest response rates. There are also a number of individual complainants who take up a disproportionately large amount of officer time. Due to the number of complaints received the peer team was told that this takes a very significant amount of management time, particularly for the Head of Development Management and there is an officer whose workload is almost entirely taken up with the administration of complaints.

6.20 The local community and stakeholders who are impacted by the Planning process in Croydon have the right to make a formal complaint if they feel aggrieved about the Planning service. However, it was noted by the peer team that the Planning team has been able to address issues raised by complainants without any significant actions required by the Local Government Ombudsman. Unfortunately, the fact that Croydon needs to dedicate so much management time and a member of staff to deal with complaints means that staff resources are being diverted to complaint handling rather than other, more positive work. Consideration on solutions to the resource issue is outlined in section 7 of this report (Community and Partnerships).

7.   Community and partnerships

7.1 The Planning service has fostered some good relationships between individual officers and external partners as well as some community groups. The peer team heard some very complimentary comments about the professionalism and responsiveness of particular officers. Some of Croydon's major developers and statutory consultees are impressed by the professionalism of officers and their engagement in progressing Major applications to delivery stage.

7.2 The peer team also heard about good practice in engagement of the customers and users of the Planning service. This includes the continued operation of a local agents' forum and regular liaison with residents' groups. The peer team heard that both councillors and officers are committed to rebuilding the trust that has been lost with the local community in recent years. Officers acknowledge that engagement with local agents has deteriorated recently with a lack of communication and engagement in resolving Planning issues.

7.3 Notwithstanding good practice between individual officers and users of the Planning service the general feedback heard by the peer team was that relationships between the service and the local community has significantly broken down resulting in a lack of trust. To a lesser extent this has permeated into a lack of trust between officers and councillors. The peer team heard that the service needs to get the basics right - answering the phone, replying to emails, engaging with the public etc. Undoubtedly much of the problem is due to overwork leaving a lack of time to engage. It has created an atmosphere of suspicion around the Planning service where lack of communication is being perceived by some in the community as an attempt to hide poor practice and exercise bias – something that is being perpetuated by some community groups through the use of social media. The peer team found no evidence of bias and officers have a clear understanding of the Planning process working in an objective manner. However, the

circumstances they are working under as outlined above is hampering them taking a more pro-active approach to addressing some of these perceptions.   As a consequence, the peer team consider that the Council should give serious thought to how it communicates and engages with the public to counter the negative perspective of some media outlets in Croydon.

7.4   Currently individual officers in the Planning Service feel very vulnerable to personal attacks from social media and this is unacceptable for any Council employee to experience. The peer team considers that the matter needs to be addressed through a Council wide solution on support to individual employees.

7.4   An example of something that fosters mistrust is Croydon's policy not to publish planning application public comments on its website – something most Planning Authorities do.   The reason for this is concern about data protection as the service does not have the resources to check all comments and redact issues that might breach data protection law. Some members of the public see this approach as proof that Croydon is not transparent and open about objections to planning applications.

7.5   The Planning service needs to (and wants to) proactively address issues of mistrust and accusations of defensiveness and rebuild trust between officers, councillors and the wider community. The positive message that the Peer team heard was that officers, councillors, local agents and residents' groups were all fully committed to building back trust and working together. This is an excellent starting point and should be embraced by all concerned. Outlined below are some of the ways the Peer team feel that this positive approach can be achieved.

Engagement with residents' associations

7.6   Croydon is very fortunate in having a group of very engaged, knowledgeable and active residents' groups. The Council could better engage with the established groups to help the Planning service understand the issues that the local community has with certain developments. An open and positive engagement will help developers understand local issues and better enable them to articulate how they can address the public's concerns so that the Planning Committee can make better informed decisions. There is already regular liaison between residents' associations and officers and this is an excellent start, but this can be extended. If residents' associations understand better the Council's position on planning applications, they can communicate this to their residents and work more collaboratively with the Council.

7.7   As outlined in paragraph 7.3 the good work of Croydon's Planning service is being undermined by informal comment and criticism. However, the peer team did not hear about the good news stories that are coming out of Croydon's Planning team. Positive news should be able to drown out negative reports if managed correctly. There could be regular reporting on such matters as:

- Progress in Planning policy making e.g. listening to residents in revoking SPD2
- Reports on the positive decisions being made at Planning Committee - £X of value from planning decisions made, community benefits being delivered as a consequence of planning decisions, etc
- X number of housing delivered in the borough
- The community benefits derived from developer contributions, such as CIL and s106

Page 98

Pre-applications and Planning Performance Agreements (PPAs)

7.8 Croydon is praised by some developers as having a very engaged PPA process whereby the Council engages effectively with developers to bring forward major developments through a collaborative PPA process. However, the peer team also heard that that pre-application engagement for smaller development proposals is often "was not worth the paper it is written on". Once again it appears that there are good processes used by the Planning team and when it works well it is greatly appreciated. However, the implementation is variable and often stifled through lack of time and resources.

7.9 The inconsistent approach to pre-application engagement is impacting on income generation and performance at Croydon Council. A significant opportunity is being missed in not generating income when developers clearly are willing to pay for a good service. Agents tell the peer team that the only reason why they make pre-application enquiries is because Croydon has a policy of not negotiating on live planning applications if no pre-application is submitted, but they do not value the quality or timeliness of the advice given. However, the peer team also heard that planning applications are significantly delayed at validation stage because case officers are negotiating improvements to the quality of submissions before validating. Therefore, officers are in effect providing a pre-application service for free in some cases to improve the quality of submissions. Income in the form of PPAs can be particularly effective in generating income and the peer team heard that developers want to enter into PPAs with the Council and potentially pay for additional officer support. However, the Planning team has not been able to find the time or support for resources to support a PPA approach.

7.10 Best practice in pre-application engagement encourages residents' associations to be actively involved at the pre application stage. Understandably an applicant is often reluctant to share early iterations of their plans with the wider community, but the peer team heard that there is a mistrust by councillors and residents that officers are agreeing proposals 'behind closed doors' and making decisions without public scrutiny. Many developers would welcome engagement with the public and councillors at the right time prior to the submission of a formal application as it helps to de-risk a project and to understand likely objections. Current resource issues at Croydon make such engagement difficult at the present time and the peer team does acknowledge that strategic schemes are presented to Planning Committee for comment at pre-application stage. However, the peer team also considers that wider community engagement should be a future objective for the planning service if it is to improve relations with the local community.

7.11 PAS is about to launch a national initiative to consider best practice in pre application engagement and this would be an opportunity for Croydon Planners to learn from others and develop their own best practice in pre application engagement.

Learning through experience

7.12 The Planning service needs a process that allows it to learn from decisions and comments made about its Planning service and Planning Committee. There are a large number of complaints but also a significant number of compliments received. Appeal decisions are another good source of learning. One way of capturing and learning from decisions made is through a structured 'learning through experience' process. If a complaint is made, what could the Council do better to avoid that complaint being submitted in the future? If a compliment is made to the Council, then how can that be captured so that others can learn from the good practice? If an appeal is lost then is there a weak policy that needs to be reviewed? There are examples nationally where

a focus on learning through experience has significantly reduced the number of complaints received and seen increased performance as well as staff morale. Croydon may want to use Plymouth City Council as a case study where this learning has been used effectively. PAS can provide details on request.

7.13 The learning through experience process could also be a good way for councillors and officers to have a positive engagement in addressing community concerns. For example, it could be a good way for councillors to understand some of the key areas for complaint by local residents and officers and councillors could work together to improve communication and potential misunderstandings.

Agents and developer forums

7.13 The peer team heard that local agents and developers want to engage with the Planning service but get frustrated by the lack of communication and delays in the process. Undoubtedly this is due to work pressures rather than a willingness to engage agents and developers. However, a lack of communication is a false economy. Agents work for a client who is normally an infrequent user of the Planning service. An agent can be an extremely useful link between an applicant and the Planning Officer. The agent will understand (if not always agree) why delays occur and can explain that to their client. However, if they get no communication from the Planning Officer they can only relay to their client that no response has been received and this adds to the frustration, lack of trust and deterioration in confidence in the Planning team.

7.14 It is positive to hear that agents' and developer forums still take place at Croydon and the peer team understand that these happen every 6 months (subject to Covid restrictions). A positive engagement with developers and agents can improve understanding and also allow agents and the Planning team to work together in improving performance as a whole, for example through better quality applications and discussion on process efficiencies. A regular programme of meetings and a clear well-managed agenda keeps things focused and away from discussing individual applications.

7.15 As with agents, engagement with larger developers help the Planning team improve the service it provides. Developers and agents could meet together but developers are probably better engaged in more strategic matters such as understanding the strategic issues being promoted through the Local Plan, strategic development opportunities in Croydon and other Council wide initiatives that impact on the Planning process.

Transparency

7.16 In order for the Planning service to rebuild trust with the local community it must be more transparent about the way decisions are made and ensure that these are made in accordance with sound Planning practice. The peer team heard that there is a clear separation between the Council acting as a developer or development sponsor and acting (through the planning service) as the statutory Planning Authority. The peer team was told that Croydon deals with these conflicts of interest when considering Planning matters through the Council's Code of Conduct. However, the peer team was also told by community representatives that this is not being communicated effectively to the public and is therefore causing a lack of trust in the Planning process. Many Councils re-inforce their code of conduct with written protocol agreements when there is a potential conflict of interest on specific development proposals. The peer team shared with the Council an example of a protocol used by Plymouth City Council to address development related conflicts of interest.

7.17 If trust between officers, councillors, applicants and the community is to be re-established, it is important that the Planning service implements some quick wins that demonstrate the Council is listening and properly engaging. The Planning team cannot do this alone as it is constrained by lack of time and resources. However, there are three suggestions that will help to quickly build back confidence and reduce the workload for officers:

1. **Website improvements** – use the website to help the wider community to find answers to their questions without the need to contact the Planning service directly. Use the website to promote the good work that is being carried out by Planning.

2. **Improved customer response times** – make a commitment to respond within a certain period of time and in the format that the response will be given. If a response will not be given (e.g. response to a comment on a planning application) make that clear on the website. Be realistic so that the response times can be achieved and review as necessary.

3. **Proactively reduce the planning applications backlog** - seek quick solutions for all those planning applications that have had no action for more a number of months so that caseloads can be reduced. This suggestion is developed further in the Development Management process review report.

8. Outcomes and delivery

8.1 The emerging and consistent theme that the peer team identified is that while the Council carries out many of its functions very well, the lack of resources means that there is no capacity to sit back, identify and implement changes that would enable it to deliver a more efficient and customer focused service. Without an increase in resources and changes in work practices it is unlikely that this position will change. Some of the impacts of this juxtaposition are outlined below with regards to delivery and outcomes.

Planning application performance

8.2 Croydon's performance regarding speed of decision making has been of concern during the last couple of years and the next Government assessment period on speed of decision making will be for the two years up to end of September 2022. Currently Croydon is forecast to determine 77% of its Major planning applications in time against a national minimum of target of 60%. It is forecast to determine 71% of its non-Major planning applications in time against a national minimum of target of 70%. Therefore, Croydon's performance on non-Major planning applications is of particular concern. Furthermore, these percentage figures are heavily reliant on extension of time agreements (73% of Majors and 31% of non-Majors include an extension of time agreement).

8.3 Perhaps of greater concern is Croydon's performance on the quality of decision making. This is assessed by the number of planning application decisions that are subsequently overturned at appeal. The government has set councils a target that no more than 10% of applications should overturned at appeal. Currently Croydon is significantly below this 10% threshold (i.e. a good thing). However, the peer team understands that 31 planning applications have been appealed against non-determination during the last year. If this trend continues then there is a significant risk that Croydon's record at appeal could be affected with the threat of Government intervention over the quality of decision making. Since the impacts of current decisions are

normally not realised until up to two years later (due to the timescales set for raising and considering appeals) the Council needs to be very mindful of the future implications of planning decisions and delays.

8.4   A detailed analysis of Croydon Council's performance on speed and quality of decision making is outlined in the Development Management process review report.

Planning Committee

8.5   The peer team found that Croydon has a sound scheme of delegation and code of practice notwithstanding the issues raised regarding the Planning Sub Committee outlined in para. 5.7. A more detailed analysis of the scheme of delegation and code of practice is highlighted in the Development Management process review. The Planning Committee meeting on 16th June 2022 was the first under the new administration and it is perhaps unfair for the Peer Challenge to judge the performance of the Committee based on this one meeting.

8.6   However, the outcome of the decisions made by the Planning Committee from this first meeting was a total of four planning decisions against officer recommendation. The Planning Committee is of course perfectly entitled to go against an officer recommendation where there are clear material planning reasons. However, the decisions are likely to result in a number of Planning appeals. As a consequence, further pressure will be put on staff resources and the possibility of upheld planning decisions. The Planning Committee will therefore need to be mindful of the need to make sound and defendable planning decisions. It is positive that councillors are keen to undertake training and learn from other high performing Planning Committees to ensure that they can use the Croydon Planning Committee as 'the shop window' of the Council for developers and the public looking to see fair and sound decision making.

Plan making – Spatial Planning

8.7   The process of the Local Plan Review to date has been an example of good plan making. The peer team found a group of officers who are both dedicated and knowledgeable to deliver the plan making and development requirements of the Borough.

8.8   The Council's revocation of SPD2 in July 2022 means that work is in its infancy for a replacement residential extensions and alterations Supplementary Planning Document. There is also an acknowledgement that further design guidance would be required in due course linked to the Local Plan Review programme. At this stage, it is unclear of the extent to which the Local Plan should be amended from its current Reg 19 status. A major review of the Local Plan could result in the Local Plan process being put back further to Reg 18 stage. This could have significant implications on the weight of the policies in the Local Plan and potentially weaken the Council's position in being able to make its own decisions on contentious planning matters. This is clearly not a position that the Council will wish to find itself and therefore it is essential that the Mayor / councillor / officer relationship remains strong so that the political commitments can be delivered successfully. Planning officers need to have a clear message from the Mayor and Cabinet as to the way forward, and this also needs to be clearly expressed to the public.

Community Infrastructure Levy (CIL) and S106 obligations

8.9   The CIL and S106 planning obligations processes draw in significant community infrastructure benefits from planning decisions. However, the peer team found that the processes employed by the Planning service to collect and manage these payments were convoluted and inefficient with multiple handling by officers, notwithstanding long-standing process maps and procedures being in place. At this stage resource levels are more stable, so the peer team heard an

intention to undertake a comprehensive review of the historic process maps and procedures. Furthermore, there appeared to be very little awareness by the wider community on how the money was being spent and the benefits of the infrastructure payments being made by developers to mitigate the impact of developments. However, the Council does annually publish its Infrastructure Funding Statement and has been reported twice in recent years to the Council's Scrutiny.

8.10 There is clearly a good news story for the Council to promote with the community to show how impacts of development are being offset by improvements for the wider community but there is little evidence of this good news story being communicated effectively. The peer team was told that Borough CIL income is being allocated to support the Council's Capital Programme and in accordance with the CIL Regulations.

'Cobra' meetings

8.11 Croydon's management team holds regular officer meetings to discuss strategically important Planning issues to provide a steer on key development projects. This is best practice and an effective way for managers to support case officers in making key decisions on planning applications and ensuring consistency in decision making and approach. The peer team considers that these meetings should be safeguarded at all costs as they are a very effective use of management time. There could be a tendency for overstretched managers and officers to consider that they do not have the time to attend these meetings. The peer team considers that this would be a false economy and further re-inforce the perception by some stakeholders that the Planning service has become insular and disjointed.

8.12 The Cobra meetings are also be an opportunity for more junior staff to gain greater awareness of strategically important Planning issues and to develop their skills as the potential future leaders at Croydon. This is an example of good practice in developing staff in the organisation. Croydon, as with most Planning teams across the country, is finding recruitment difficult and therefore it is even more important to develop staff within the Council so that they can develop their skills and to encourage them to stay at Croydon Council.

Financial management within the Council

8.13 It is clear that Croydon is working under severe financial constraints and, as a necessity, spend is very carefully monitored and managed within the Council. However, the peer team heard that this is leading to the micro-managing of expenditure that the Planning team is required to go through which is taking up valuable officer time on detailed matters which in turn is impacting on delivery. For example, the peer team heard that the Planning team is unable to book rooms within the Council for the Local Plan examination as the examination will not be held until later in 2022 and therefore has had to go to an outside provider. It is important that prudent financial management does not harm delivery of key Council priorities that in themselves will save the Council time, resources and money.

8.14 Related to this is the practice the peer team heard on internal recharging. The peer team understands that officers who support the Development Management function recharge their time through an internal recharging process. The Peer team understands that there is a need for financial prudence to ensure that officer time is spent in a time efficient and cost-effective way. However, the transferring of money between teams / services / departments creates additional work for staff who are already pressured from high workloads. It might be more efficient for service level agreements be agreed with consultees so there is a clear expectation on time and resources that should be sent on Development Management work.

8.15 The report has highlighted inefficiencies in the way that Croydon uses its IT processes and the further potential for the use of Uniform. The Council needs to be aware that the national Planning reforms are focusing on improved data standards and the further digitisation of the Planning system. The Government is committed to supporting Planning authorities in this regard and to ensure that the efficiencies in Planning can be supported by a more consistent and customer focus set of data standards. However, Croydon Council must ensure that it properly engages with these wider national Planning initiatives and time is freed up for officers to benefit from Government support. If this time is not given now a potential invest to save initiative could result in further pressures on staff who are then compelled to engage due to nationally set deadlines being introduced.

9. Implementation, next steps and further support

9.1 It is recognised that senior political and managerial leadership will want to consider and reflect on these findings.

9.2 To support openness and transparency, the peer team recommends that Croydon Council shares this report with officers and that it publishes it for information for wider stakeholders. There is also an expectation that an action plan would be developed by Croydon Council and published alongside the report.

9.3 The Peer team, PAS and the LGA are keen to build on the relationships and the peer challenge process includes a six-month check-in meeting. This will be a facilitated session which creates space for the councils' senior leadership to update peers on its progress against the action plan and discuss next steps and any further support required.

9.4 A range of support from the LGA and PAS is available on their websites. This includes:
   - Development Management - Decision making, committees and probity
   - Making Defensible Planning Decisions
   - Developer Contributions - Community Infrastructure Levy, Section 106 agreements and Viability
   - Getting engaged in pre-application discussions
   - Design training for councillors
   - Development of local plans

9.5 In addition PAS would be happy to point Croydon Council to other Councils where there is best practice where areas for improvement have been identified in this report. In the same way PAS would like to use some of the best practice that Croydon demonstrates in helping other Councils through continuous improvement and learning. For more information about planning advice and support, please contact peter.ford@local.gov.uk

9.6 The LGA has a range of practical support available. The range of tools and support available have been shaped by what councils have told LGA that they need and would be most helpful to them. This includes support of a corporate nature such as political leadership programmes, peer challenge, LG Inform (our benchmarking service) and more tailored bespoke programmes. Kate Herbert, Principal Adviser for London, is the main contact at the LGA for discussion about your improvement needs and ongoing support. Kate can be contacted at kate.herbert@local.gov.uk

PLANNING TRANSFORMATION ACTION PLAN

February 2022

Aim

To enable the Development Management (DM) team and wider Planning Service to be appropriately resourced, organised and monitored to be able to meet its statutory targets and requirements, the needs of the development community and Croydon residents and businesses, within the context of the Mayor's Business Plan.

Objectives

- Continue improved performance for the determination of planning applications against government targets particularly in relation to non major applications.
- Maintain performance for the determination of major planning applications against Government targets
- Reduce backlog of planning applications in order to reduce the time taken to determine planning applications.
- Maintain quality of decision making having regard to the policies of the adopted Development Plan and other material considerations.
- Review enforcement practices and resources to reduce caseloads and focus resources appropriately.
- Review the structure of the service to ensure all aspects of the service are adequately resourced.
- Seek to retain the current knowledgeable and dedicated staff and promote the Borough to attract new staff
- Identify procedural and technological efficiencies to aid decision making and increase productivity.
- Re-focus the Pre Application Service to ensure that advice can be provided in a timelier manner.
- Work with residents and members, to prepare a communications and engagement strategy and to help interested parties gain a better understanding of the planning process
- Embed a culture of continuous officer support, learning and improvement in order to boost staff retention and morale.
- Promote health and well-being across the service, including mental health support given the focus on the service.
- Inform budget setting to facilitate a financially sustainable service.

Introduction

The Development Management team, including Planning Enforcement function of the Local Planning Authority (LPA) is a very public face of Planning. It is a high-profile service which receives a significant amount of scrutiny from politicians, residents and the development community. Over the previous two years the Council has experienced a significant amount of change both financially and politically. The backdrop of financial constraint, changing working practices as a result of the significant period of lockdown, an increase in planning applications during the lockdown period and a nationwide shortage of qualified and experienced planning staff, has had a significant impact on the service.

All LPAs are closely monitored by the Department for Communities and Levelling Up in relation to the speed and quality of decision making. Prior to March 2020 the Development Management Service had a healthy performance for speed of decision making against both major and non-major Government targets. However, due to the range of factors highlighted above the services performance in the non-major category reduced to close to the Government's performance minimal target at the start of 2022. In addition to this, it was clear that workloads had been unsustainably high for a long period of time. This was impacting on officer's health, morale, and the ability of the Borough to retain staff. As a consequence, this impacted on the level of customer service that the Development Management team were able to provide, which led to mistrust of the service with some customers and interested parties.

The Development Management team has a key role in delivering the Borough's objectives and therefore it is imperative that the service is able to provide a timely and effective Development Management service. With this in mind the Planning Advisory Service (PAS) were invited to Croydon to undertake the following reviews:

- Development Management Process Review
- Planning Peer Challenge.

The Development Management Process Review and the Peer Review were completed in June 2022. The Process Review included a review of the processes and practices which the team has in place and the Peer Challenge also included discussions and interviews with officers, politicians, customers and interested parties.

Both reviews have identified that the existing service has examples of best practices and the team benefits from knowledgeable and dedicated officers. There is good foundation to build upon to improve the delivery of the service. However, the reviews identified that the service is close to breaking point and that if improvement does not happen swiftly it will bring into the question the Council's ability to provide an effective Development Management Service.

Whilst elements of good and best practice are identified the two reviews undertaken by PAS make a number of recommendations for the Service. This Transformation Action Plan is one the recommendations required to set out the necessary work steams identified by the reviews.

Much work has already been undertaken since summer 2022 to reduce backlog and reduce the time taken to determine planning applications. However, as a service it is acknowledged that whilst more resource is required, improvements to the service are necessary beyond employing more staff and there is a need to increase productivity. This will very much be a process of continual development. However, it will not be possible for some of the recommendations of the PAS team to be achieved without additional resource or resource and input from other teams outside the Planning Service within the wider Council. It will be critical to secure additional resource in the form of a Planning Improvement Manager to drive the delivery of this Action Plan.

The recommendations of the PAS reviews can be grouped in the following areas:

- **Resource and Performance Management**
- **Technological Improvements**
- **Officer, Training, Development, Morale and Retention**
- **Internal Process Review**
- **Communication and Engagement**
- **Planning Policy, Procedure Development**
- **Planning Committee**

These have been supplemented by additional recommendations that have been identified through management review and analysis.

For each of the recommendations/tasks outlined below it will be necessary to identify measurable targets, individual tasks, milestones and outputs within an overall task timescale. These will be actioned by the new Planning Improvement Manager.

The new Planning Improvement Manager will lead this work in close collaboration with the DM Management Team and the Director of Planning and Sustainable Regeneration. This work will be over a two-year period with all recommendations initiating the first year, although phased to align with capacity.

Resource and Performance Management

	Recommendation 1 – Review the Resourcing of the Planning Service				
Action		**Timescale to Commence**	**Lead Accountability**	**Project Manager**	**Corporate /External Resource or Decision**
a.	Review and establish the appropriate resourcing (permanent and contractor) and structure of the Service to ensure the team can promote the benefit of good planning through the creation of jobs the creation of housing, jobs, infrastructure to benefit existing residents	Q2	Head of DM	Planning Improvement Manager	HR and Finance
b.	Review the resourcing requirement (skills, experience, and quantity) to effectively resource pre application and PPA services to optimise income.	Q1	Head of DM and	Planning Improvement Manager	HR and Finance

	Action	Timescale to Commence	Lead Accountability	Project Manager	Corporate/External Resource or Decision
c.	Benchmark titles, experience, and salaries with neighbouring authorities to determine whether the current approach is reducing the ability to recruit. Consider use of further market supplements to retain and attract staff	Year 2 Q2	Head of DM	Planning Improvement Manager	HR and Finance
d.	Employ additional resources on a temporary basis to increase resources and address the applications backlog to ensure a manageable caseload	Q1	Head of DM	Planning Improvement Manager	Financial approval required
e.	Undertake a PAS Resource Review to identify the staffing resource required to deal with the ongoing workload demands and prevent the build-up of backlogs of both applications and enforcement cases.	Q3	Head of DM	Planning Improvement Manager	PAS and Finance approval required

Recommendation 2 – Enforcement Practices					
Action		**Timescale to Commence**	**Lead Accountability**	**Project Manager**	**Corporate /External Resource or Decision**
a.	Employ additional temporary staff to increase resources to enable the Enforcement backlog to be reviewed and reduced	Q1	Head of DM	Planning Improvement Manager	Approval from HR and Finance
b.	Review structure of Enforcement team to ensure appropriate senior management resource	Q2	Head of DM	Planning Improvement Manager	Approval from HR and Finance
c.	Review procedures for taking formal action by benchmarking against other London Boroughs	Q2	Planning Improvement Manager	Team Leader of Planning Enforcement	No

	Action	Timescale to Commence	Lead Accountability	Project Manager	Corporate/External Resource or Decision
d.	Review enforcement reporting so that it is given greater exposure to Members and senior officers	Q2	Planning Improvement Manager	Team leader of Planning Enforcement	No
e.	Regular enforcement clearance weeks	Ongoing	Head of DM	Team leader of Planning Enforcement	No
f.	Proactively close down files with targets to review and determine whether action is expedient or not.	Ongoing	Head of DM	Team leader of Planning Enforcement	No
g.	Undertake targeted enforcement initiatives that demonstrated delivery to the public and Members	Q2	Head of DM	Team Leader of Planning Enforcement	Yes
	Recommendation 3 - Performance Management				
Action		**Timescale to Commence**	**Lead Accountability**	**Project Manager**	**Corporate /External Resource or Decision**
a.	Re-introduce the appeals monitoring process and include a regular report to Planning Committee.	Q1 To be reported to committee quarterly	Planning Improvement Manager	Team Leader Tech Support	No
b.	Monitor major appeal decisions and the Government quality measure using the PAS "Crystal Ball" particularly with reference to the appeals for non-determination	On going	Planning Improvement Manager	Area Team Leaders	No
c.	Identify Service, team and officer specific KPIs and ensure they are monitored and included as an integral part of the relevant meetings i.e., Service, Team and 1 to 1s	Year 2 Q 2	Planning Improvement Manager	Area Team Leaders	No
d.	Establish targets for reduced use of EOTs focused particularly on non-Majors	Q3	Planning Improvement Manager	Area Team Leaders	No

		Timescale to Commence	Lead Accountability	Project Manager	Corporate /External Resource Or Decision
e.	Ensure the DM Manual is regularly reviewed and kept up to date.	On going	Planning Improvement Manager	Area Team Leaders	No

Technological Improvements

	Recommendation 4 - Review the current IT investment as part of a wider transformation programme.				
Action		**Timescale to Commence**	**Lead Accountability**	**Project Manager**	**Corporate /External Resource Or Decision**
a.	To invest in IT improvements and training staff as part of a wider Council transformation programme	Q1	Head of DM	Planning Improvement Manager	IT/CDS Finance approval
b.	To set up the Uniform system so that it can be used to its full capacity	Q1	Head of DM	Planning Improvement Manager	IT/CDS Finance approval
c.	To call upon support from other London boroughs to make best use of the Uniform system	Q1	Head of DM	Planning Improvement Manager	IT/CDS Finance
d.	Identify additional IT improvements which can help the efficiency and quality of decision making.	Q1	Head of DM	Planning Improvement Manager	IT/CDS Finance approval

Officer, Training, Development, Morale and Retention

	Recommendation 5- Job Descriptions (JDs), training and development

Action		Timescale to Commence	Lead Accountability	Project Manager	Corporate /External Resource or Decision
a.	Include a clear approach to Development Management performance management throughout the JDs. Refer to developing and setting individual and team KPIs; and undertaking performance management functions such as 1 to 1s, appraisals, team meetings, coaching, mentoring etc.	Year 2 Q2	Head of DM	Planning Improvement Manager	HR
b.	Review all JDs to ensure they accurately reflect the work that the grade is expected to undertake.	Year 2 Q2	Head of DM	Planning Improvement Manager	HR
c.	Refer in all JDs the responsibility, at every level, to updating (or assist with updating), improving and implementing the DM Manual.	Year 2 Q2	Head of DM	Planning Improvement Manager	HR
d.	Review training and development needs for the team, identify appropriate training opportunities to retain and upskill staff, 'to grow our own' and ensure skill gaps are met and to maintain succession planning at all levels within the team.	Q4	Planning Improvement Manager	Area Team Leaders and Deputy Team Leaders	HR
	Recommendation 6 - Officer Morale and Mental Health				
Action		Timescale	Lead Accountability	Project Manager	Corporate /External Resource or Decision
a.	Dedicated time for staff to share experiences and problem solve, as well as providing a safe space for voicing concerns. Croydon should programme in a whole department away-day focussed on staff morale and specifically the journey of improvement being undertaken.	Q1	Director and Head of DM	Planning Improvement Manager	No

		Timescale	Lead Accountability	Project Manager	Corporate/External Resource Or Decision
b.	Support for staff's mental health and wellbeing – setting up sessions where staff can voice how they feel and, critically, what will be done to support them. This is beyond the organisation's intranet resources.	Q1	CEO	Planning Improvement Manager	Yes
c.	Create time within the Development Management Team meetings to allow a discussion on staff morale and current issues.	Q1	Director and Head of DM	Planning Improvement Manager	No
d.	The existing programme of informal mentoring should be developed further to encourage peer to peer learning across all levels of the department.	Q1	Director and Head of DM	Planning Improvement Manager	No
e.	Wider staff retention and development strategy including the promotion of the positives/benefits of working for Croydon and providing clear paths that allow staff to develop themselves within the organisation	Q4	Director and Head of DM	Planning Improvement Manager	HR
f.	To use PAS for member and officer training, specifically mentoring options for key councillors and officers so that they can be provided with an outlet for discussing approaches to the very significant issues that are being encountered in Croydon on a day-to-day basis.	Q1	Director and Head of DM	Planning Improvement Manager	Demo Services

Internal Process Review

Recommendation 7 - Review the Council's approach to validation				
Action	**Timescale**	**Lead Accountability**	**Project Manager**	**Corporate/ External Resource Or Decision**

Action	Timescale	Lead Accountability	Project Manager	Corporate/External Resource or Decision
a. Consider the reversion of the validation of planning applications back to the Technical Support Team (following recruitment and training) to free up planning officer time to assess planning applications. This will require additional resources in the Technical Support Team	Q1	Head of DM	Planning Improvement Manager	Capita Terraquest Finance Approval
b. Hold a workshop session with officers and Tech Support as part of recommendation above to help break the cycle of delays in validation	Q1	Head of DM	Planning Improvement Manager	No
c. Provide the necessary technical support to ensure that the Enterprise system is set up to allow allocation of applications to take place without the use of alternative systems	Q1	Head of DM	Planning Improvement Manager	IT CDS IDOX
d. Ensure technical support experience of Uniform is shared and seek to limit reliance on specific individuals	Q1	Head of DM	Planning Improvement Manager	No
e. Work with agents/developers/applicants to work together and jointly own the performance issues	Q1	Head of DM	Planning Improvement Manager	Applicants and Developer Forum

Recommendation 8 - Work more effectively with consultees to better use the resources available to deliver timely and quality advice for decision making

Action	Timescale	Lead Accountability	Project Manager	Corporate/External Resource or Decision
a. Raise corporately the issues of internal consultee resourcing and the knock-on effect it has on planning.	Q1	Director	Head of DM	CMT
b. Investigate the increase of internal planning solicitor resource (and a clear long-term approach to external legal support) that can be more accessible and timely to ensure robust decision making	Q1	Head of DM	Planning Improvement Manager	Legal Finance

Action	Timescales	Lead Accountability	Project Manager	Corporate / External Resources Required
c. Consider the costs and benefit in relation to employing an in-house viability expert including a shared services approach with neighbouring boroughs	Q4	Head of DM	Planning Improvement Manager	Finance HR
d. Develop standing advice, template responses and officer training so that planning officers can make better informed decisions without the need for consultee advice in all cases	Year 2 Q1	Head of DM	Planning Improvement Manager	Corporate Consultees External Consultees
e. Make better use of consultation surgeries and regular catch-up meetings to ensure more timely and consistent responses are provided	Q1	Planning Improvement Manager	Area Team Leaders	Corporate Consultees External Consultees
f. Agree clear protocols on when consultee advice is needed and timescales for delivering the advice	Q3	Planning Improvement Manager	Area Team Leaders	Corporate Consultees External Consultees

Recommendation 9 - Cultivate the excellent best practice that is already being shown with the "Cobra" officer meetings				
Action	**Timescales**	**Lead Accountability**	**Project Manager**	**Corporate / External Resources Required**
a. Continue to operate the Major Applications officer briefings and ensure that they are given the priority status required	Weekly and on going	Head of DM	Area Team Leaders	No

Recommendation 10 - Quality of Officer Reports				
Action	**Timescales**	**Lead Accountability**	**Project Manager**	**Corporate /External Resource or Decision**
a. Introduce a standardised template for section headings in all officer reports	Q2	Planning Improvement Manager	Area Team Leaders	No

Action	Timeline to commence	Lead Accountability	Project Manager	Corporate /External Resources or Decision
b. Include a section within reports that reference relevant emerging policies and how they apply to the development as material considerations.	Q2	Planning Improvement Manager	Area Team Leaders	No
c. Include within Reports statements on: Human Rights, Equality Act and Financial considerations.	Q2	Planning Improvement Manager	Area Team Leaders	Corporate Consultees
Recommendation 11 - Refocus pre-application and PPAs procedures to provide better service to customers and maximise income.				
Action	**Timeline to commence**	**Lead Accountability**	**Project Manager**	**Corporate /External Resources or Decision**
a. Review the current pre-application process in terms of the type of service offered and the fees	Q1	Head of DM	Head of DM	Yes
b. Seek to streamline agency recruitment processes and SCP approval to enable staff to be brought in quickly to allow current officers to focus on PPAs where signed up to and paid	Q1	Director	Head of DM	Yes
c. Relevant officers should join the national PAS programme on best practice in pre apps and PPAs so that they can share best practice from Croydon as well as learning from approaches taken elsewhere in the country	October 22 and ongoing.	Head of DM	Area Team Leader Central	No
Recommendation 12- Scheme of Delegation and Planning Committee Code				
Action	**Timeline to Commence**	**Lead Accountability**	**Project Manager**	**Corporate / External Resources or Decision**

		Timeline	Lead Accountability	Project Manager	Corporate / External Resource or Decision
a.	Review wording in the procedures and code where there could be potential problems as identified by PAS.	Year 2 Q 2	Head of DM	Planning Improvement Manager	Legal input required through the Constitution Working Group

Communication and Engagement

	Recommendation 13 - Develop a strategy for effective engagement and communication to rebuild trust with local communities that works alongside the Plan Making engagement process.				
Action		**Timeline**	**Lead Accountability**	**Project Manager**	**Corporate / External Resource or Decision**
a.	The establishment of a learning through experience process to better understand both positive and negative community feedback so that officers can better engage with communities in the future	Q2	Head of DM	Planning Improvement Manager	RAs Residents Voice Board
b.	Carry out well publicised quick wins through improvements to the accessibility of the website and improved customer response times	Q1	Head of DM	Planning Improvement Manager	IT/CDS
c.	Better communicating how the Council ensures transparency in decision making and other conflicts of interest	Q1	Head of DM	Planning Improvement Manager	IT/CDS
d.	Improve communication with the development industry through a greater focus on local agents and re-enforcing the importance that is already being given to the developer forums	Q4	Head of DM	Planning Improvement Manager	

Action	Timeline	Lead Accountability	Project Manager	Corporate / External Resource or Decision
e. Promote the department successes and what we are doing to counter some of the negative stories	Q2	Director		?
Recommendation 14 - Utilise the willingness on all sides to re-set relationships and trust between officers and councillors				

Action	Timeline	Lead Accountability	Project Manager	Corporate / External Resource or Decision
a. Members and officers to meet in order for officers to understand the current administration's planning objectives	Ongoing	Director	Planning Improvement Manager	Demo Services and Members
b. Working together on creating more productive and collaborative Planning Committee meetings where councillors and officers work together to make sound and defendable decisions	Q1	Head of DM	Planning Improvement Manager	Demo Services and Members
c. Working together to review the existing Planning Committee code and scheme of delegation so that the community has their right to be heard whilst still enabling the Council to meet wider requirements on speed, quality and delivery. For example, the management of the Planning Sub Committee appears to be confused for all participants in its operation	Q2	Head of DM	Planning Improvement Manager	Demo Services Members and RAs Residents Voice Board
d. Better engagement with internal and external consultees and residents	Q1	Head of DM	Planning Improvement Manager	No Residents Voice Board
e. Member training for Planning Committee and Ward Members	Ongoing but review Q1	Head of DM	Planning Improvement Manager	Demo Services and Members
Recommendation 15 - Customer Service and Communication				

Action	Timeline	Lead Accountability	Project Manager	Corporate/ External Resource or Decision
a. Consider a better process for managing the complaints that identifies the most appropriate level within the organisation to respond and an administrative process for ensuring that complaints are responded to on time. This could include better communication on the Council's website to indicate what matters can be considered as complaints and what matters are outside the scope of the Council's jurisdiction.	Q3	Head of DM	Planning Improvement Manager	Complaints IT/CDS
b. Introduce a more formalised learning through experience process so that lessons can be learnt on all areas of Planning including a celebration of things that have gone well and where officers have been praised	Q2	Head of DM	Planning Improvement Manager	Complaints and Comms
c. Work with the communications team to establish approaches to counter negative media coverage and celebrate good stories	Q1	Head of DM	Planning Improvement Manager	Comms
d. Review the effectiveness of neighbour letters as well as site notices. If neighbour letters are still required then review the process notes to ensure that the process is robust	Q3	Head of DM	Planning Improvement Manager	No
e. Review CIL and S106 processes Improve communication on CIL and S106 spend with Ward members and residents	Q4	Head of Spatial Planning	Planning Improvement Manager	Yes
	Recommendation 16- Improve the engagement with residents, partners and developers.			
Action	**Deadline**	**Lead Accountability**	**Project Manager**	**Corporate / External Resource Or Decision**

Action	Deadline	Lead Accountability	Project Manager	Corporate/ External Resource Or Decision
a. Regular reporting on such matters as: • Progress in Planning policy making e.g. listening to residents in revoking SPD2 • Reports on the positive decisions being made at Planning Committee - £X of value from planning decisions made, community benefits being delivered as a consequence of planning decisions, etc • X number of housing delivered in the borough • The community benefits derived from developer contributions, such as CIL and s106	Q2	Head of DM	Planning Improvement Manager	Spatial Planning Team Residents Voice Board
b. Review pre-application processes to encourage more active engagement with residents	Q3	Head of DM	Planning Improvement Manager	No
c. Review publication of pre-application processes	Q4	Head of DM	Planning Improvement Manager	No
d. Participation at Develop Croydon	On going	Director		No

Planning Policy Procedure and Development

	Recommendation 17 - Empower officers and councillors to work together to review the Planning policy direction of the Council.			
Action	**Deadline**	**Lead Accountability**	**Project Manager**	**Corporate/ External Resource Or Decision**
a. Continue to hold Local Development Framework working Groups with cross party representations.	Q1	Head of Spatial Planning	Spatial Planning Team Leader	Demo Services

				and Members

Management and Monitoring of the Action Plan

To continue the ongoing implementation of the Action Plan further discussion is required regarding the correct establishment of the team a, further resource is required in the form of a Planning Delivery Manager. Once a Delivery Manager is in place a monthly project meetings of all team leads chaired by the Director of Planning and Sustainable Regeneration will take place to report on progress. All work stream leads will be required to attend and submit 3 days before a highlight report within the required template. Targets will be measured on a quarterly basis unless otherwise stated.

LONDON BOROUGH OF CROYDON

REPORT:	**Streets & Environment Sub-Committee**
DATE	**14 March 2023**
REPORT TITLE:	**Period 8 Financial Performance Report**
LEAD OFFICER:	**Nick Hibberd - Corporate Director of Sustainable Communities, Regeneration & Economic Recovery**
PERSON LEADING AT SCRUTINY COMMITTEE MEETING:	**Nick Hibberd - Corporate Director of Sustainable Communities, Regeneration & Economic Recovery**
LEAD MEMBER:	**Councillor Scott Roche** **Cabinet Member for Streets and Environment** **Councillor Jeet Bains** **Cabinet Member for Planning and Regeneration**
ORIGIN OF ITEM:	This item is included on the Streets & Environment Sub-Committee Work Programme for 2022/23 as a standing item to be reviewed by exception.
BRIEF FOR THE COMMITTEE:	The Sub-Committee is asked to scrutinise the information provided with a view to considering whether it is reassured about the delivery of the 2022-23 Sustainable Communities, Regeneration & Economic Recovery Budget.
PUBLIC/EXEMPT:	Public

1 PERIOD 8 FINANCIAL PERFORMANCE REPORT

1.1. The Streets & Environment Sub-Committee has asked to be provided with the most recent Cabinet Financial Performance report to review the delivery of the 2022-23 Sustainable Communities, Regeneration & Economic Recovery Budget

1.2. The Streets & Environment Sub-Committee is asked to review the information on the Sustainable Communities, Regeneration & Economic Recovery Budget contained in the Cabinet report on Period 8 Financial Performance and to consider whether Members are reassured about its delivery.

2 APPENDICES

2.1 **Appendix A -** Cabinet Report – Wednesday 22nd February 2023 - Period 8 Financial Performance Report

3 BACKGROUND DOCUMENTS

3.1 None

REPORT:	Cabinet
DATE OF DECISION	**22 February 2023**
REPORT TITLE:	**Period 8 Financial Performance Report**
CORPORATE DIRECTOR / DIRECTOR:	**Jane West, Corporate Director of Resources (Section 151)** **jane.west@croydon.gov.uk** 020 8726 6000 Ext 27320
LEAD OFFICER:	**Jane West, Corporate Director of Resources**
LEAD MEMBER:	**Councillor Jason Cummings Cabinet Member for Finance**
KEY DECISION?	**NO.** The recommendations set out below are not executive decisions and therefore are not key decisions.
CONTAINS EXEMPT INFORMATION?	**No**
WARDS AFFECTED:	**All**

SUMMARY OF REPORT:

This report provides the Council's forecast outturn as at Month 8 (November 2022) for the General Fund (GF), Housing Revenue Account (HRA) and the Capital Programme (CP). The report forms part of the Council's financial management process for publicly reporting financial performance monthly.

1

FINANCIAL IMPACT

	Forecast Variance Month 8	Forecast Variance Month 7	Movement
	£m	£m	£m
General Fund over/(underspend)	0.0	0.0	0

The General Fund forecast continues to show a balanced budget. This is after all pay and contract inflation provisions have been allocated and no contribution to reserves. The improved financial position in services allows for an increased inflation provision to be held centrally as a hedge against pressures arising for the remainder of the financial year.

This report sets out further risks and opportunities. This indicates a net risk of **£2.6m** (risks **£8.3m** and opportunities of **£5.7m**).

	Forecast Variance Month 8	Forecast Variance Month 7	Movement
	£m	£m	£m
Housing Revenue Account over/(underspend)	4.9	4.6	0.3

The Housing Revenue Account is forecasting a **£4.9m** overspend against budget at the end of the year. The main pressures remain utility inflation, increases in legal disrepair costs and void rents.

	Revised Budget 2022/2023	Actual to Date as at 30/11/22	Forecast for year end 2022/2023	Forecast Variance for year end 2022/2023
	£m	£m	£m	£m
Total General Fund and HRA Capital Programme	118.775	29.886	99.546	(19.229)

The Capital Programme has spent **£29.886m** against a **£118.775m** budget at Month 8. The end of year position is forecast to be an underspend of **£19.229m**.

2

RECOMMENDATIONS

The Executive Mayor, in Cabinet, is recommended to:

1.1 Note the General Fund revenue budget outturn is forecast to be balanced at Month 8. Service directorates are indicating a £16.865m overspend. This is offset by £0.978m corporate underspend, £4m use of earmarked inflation reserves, £5m use of the general contingency budget and the budgeted £6.9m contribution to General Fund Balances being released.

1.2 Note the forecast elimination of the planned contribution to General Fund Reserves of £6.9m for 2022/23.

1.3 Note that a further number of risks and compensating opportunities may materialise which would see the forecast change.

1.4 Note the actions being taken through the Deficit Recovery plan. Further details are in paragraph 2.15

1.5 To approve the progress of the MTFS savings as indicated within Table 4 and detailed in Appendix 3.

1.6 Note the Housing Revenue Account (HRA) is projecting an end of year position of a £4.976m overspend, due to inflation, disrepair costs and void rents.

1.7 Note the Capital Programme spend to date for the General Fund of £17.534m (against a budget of £68.160m) with a projected forecast underspend of £15.084m for the end of the year.

1.8 Note the Housing Revenue Account Capital Programme spend to date of £12.352m (against a budget of £25.165m), with a projected forecast underspend of £4.145m for the end of the year.

1.9 Note, the above figures are predicated on forecasts from Month 8 to the year end and therefore could be subject to change as forecasts are made based on the best available information at this time.

1.10 Note, the Council continues to operate a Spend Control Panel to ensure that tight financial control and assurance oversight are maintained A new financial management culture is being implemented across the organisation through increased scrutiny, such as the monthly assurance meetings, improved communication and budget manager training from CIPFA.

1.11 To approve the virement details in section 7 of this report.

3

2. EXECUTIVE SUMMARY

2.1. The Financial Performance Report (FPR) is presented to each Cabinet meeting, with the exception of Period 1, and provides a detailed breakdown of the Council's financial position and the in-year challenges it faces. It covers the General Fund, Housing Revenue Account and Capital Programme. The Financial Performance Report ensures there is transparency in the financial position, and enables scrutiny by the Executive Mayor, Cabinet, Scrutiny, and the public. It offers reassurance regarding the commitment by Chief Officers to more effective financial management and discipline.

2.2. The General Fund revenue forecast outturn for Month 8 shows a balanced position for the third month in a row. There has been an improvement in the departments financial position which is being used to increase the corporate inflation provision, to act as a hedge against further pressures arising in the remainder of the year.

2.3. There are a further set of risks and opportunities, which indicate a net risk of £2.6m (risks £8.3m and opportunities of £5.7m). The risks are issues that are not yet sufficiently developed or certain to warrant inclusion in the outturn forecast. Depending on how the risks and opportunities materialise, they may have a further negative impact on the projected outturn forecast. Should all the risks materialise, and none of the mitigations be effective, the Council is forecast to overspend by £8.321m. Key drivers of the projected overspend are non-delivery of savings agreed at Full Council in March 2022 and other new pressures previously not anticipated. However, if none of the risks materialise and all the opportunities are delivered, the Council will underspend by £5.735m. The risks and opportunities are detailed in Appendix 3-6 of the report and summarise in Table 5 by directorate.

2.4. The Financial Performance Report for Month 8 begins to cover the issuing of the s114 notice on 22 November 2022. At this stage it is difficult to say by how much the increased spend controls introduced are reflected in the improved departmental financial positions reported. It should be noted that the s114 notice was issued to address the 2023/24 financial forecast.

2.5. The chart below illustrates the trend in the monthly monitoring reports for this financial year and shows both the forecast as well as the quantum of risks and opportunities, together with the impact should all risks and opportunities fully materialise (dashed line).

4

Chart 1 – Monthly financial movements on Monthly Forecast, Risk & Opportunity
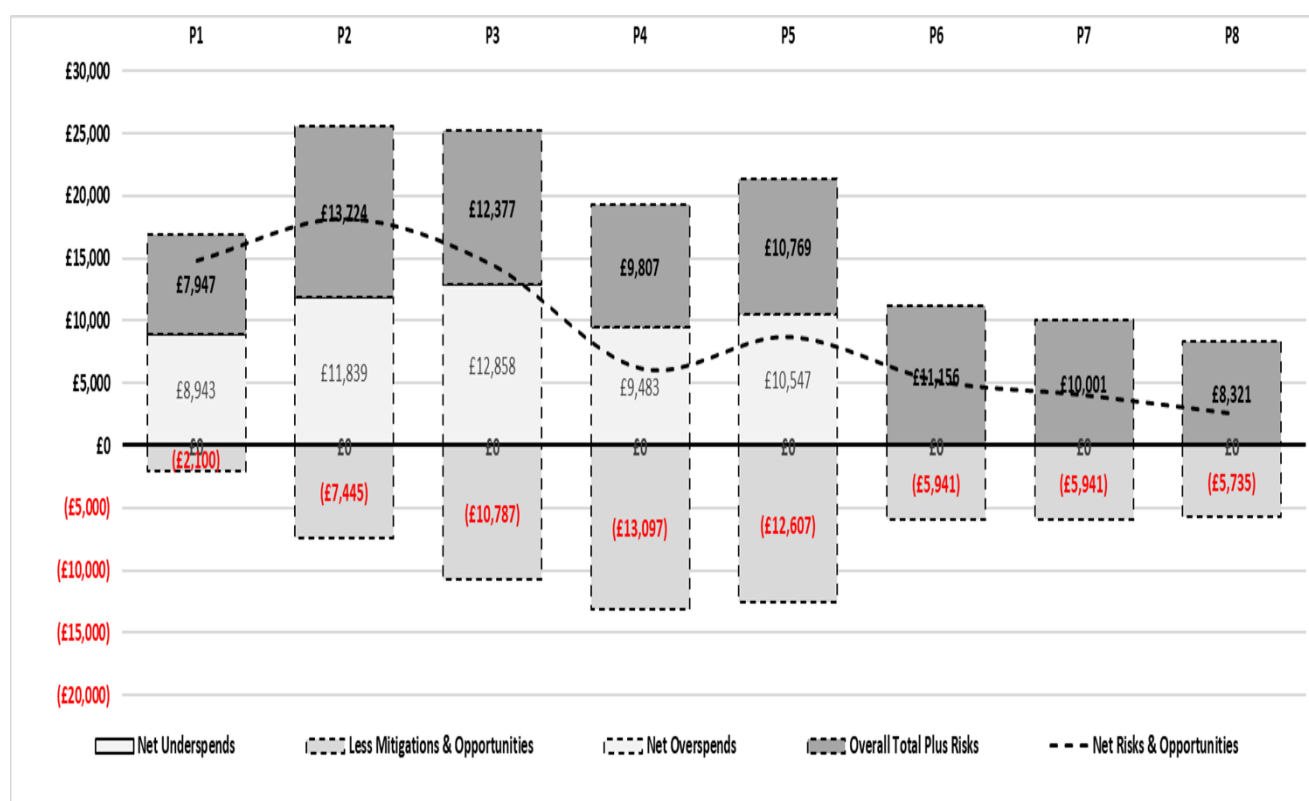
2.6. Work continues to manage the areas overspending against budget to ensure Council remains within budget.

2.7. The Housing Revenue Account is forecasting an overspend of £4.976m (an increase of £0.1390m on the Month 7 forecast).

2.8. The Capital Programme for both the General Fund and Housing Revenue Account is reporting a total expenditure to date of £29.886m of which £17.534m is General Fund and £12.352m Housing Revenue Account. The overall capital spend is projected to be £99.546m against a revised budget of £118.775m. This will result in a £19.229m underspend to budget.

2.9. The 2022/23 General Fund budget includes the use of a £25m agreed capitalisation direction. This follows the use of a £50m capitalisation direction in 2021/22. The capitalisation direction was approved (minded to) by the Department of Levelling Up, Housing and Communities (DLUHC) in March 2022 subject to regular positive reports from the Improvement and Assurance Panel and the Budget was approved at Full Council on 7th March 2022. It should be noted that capitalisation directions provide one-off support for a financial year and do not resolve the underlying financial pressures that require their use.

2.10. This report forms part of the improved reporting framework by ensuring the delivery of the Council's budget is reported monthly and transparently.

2.11. The format of this report will continue to evolve and expand as it will be important for the Council to be able to identify the additional pressures that the

5

global economic crisis is causing in inflation and the impact on supplies and services the Council provides.

2.12. The Council continues to build on the improvements in financial management that were made over the past year however there is a considerable amount yet to do, which is fully recognised within the organisation.

2.13. The Medium-Term Financial Strategy 2023/24 to 2025/26 Update report to Cabinet on 30 November 2022 set out the latest on the Council's financial position. The "Opening the Books" programme initiated by the Executive Mayor has revealed further historic legacy issues, referred to in previous Finance Performance Reports along with mistakes in the budget set for 2022/23, that have undermined the ability of the Council to become financially and operationally sustainable over the current agreed medium term financial strategy. The report set out in detail these issues, the reasons behind the issuing of a Section 114 Notice in relation to balancing the Council's budget from 2023/24 onwards, and the state of negotiations with DLUHC to agree a further package of support.

2.14. Over the last financial year, a monthly budget assurance process and independent challenge of expenditure by the Improvement and Assurance Panel took place. This is in addition to Cabinet, and Scrutiny and Overview review. The monthly budget assurance process has been reviewed and strengthened based on the learning from last year. The aim of the officer assurance meetings is to provide the Corporate Director of Resources (Section 151 Officer) and the Chief Executive with an opportunity to scrutinise and challenge the forecast outturn, review risks and opportunities to mitigate, challenge the use of accruals and provisions, ensure savings are delivered and income targets are met. Overall, the meetings ensure the Council is doing all it can to reduce overspends and deliver a balanced budget.

Deficit Recovery Plan

2.15. Each Directorate has been asked to identify mitigations and in year cost reductions to ensure that the Council brings its expenditure within budget. Table 1 sets out the latest position on the mitigations put in place. Where the proposals are confirmed, their impact is already included in the projected outturn for the year. Where there is further work to be done to confirm them, they are included in this report as opportunities.

Table 1 – Deficit Recovery Plan

6

	£m	
Delivery Plans in Forecast		
Duplication of interest costs budget in Resources	2.400	Included within Resources forecast.
Increased Court Costs Income	0.700	Included within Resources forecast.
Council Tax Support Scheme	1.100	Included within Resources forecast.
Reduction in loan non-repayment provision	1.400	The Council plans to release a £1.4m provision previously set aside to support potential risks to commercial loans. The loan is now likely to be repaid in full.
Election Account	0.241	Included within Assistant Chief Executive forecast
Forecast Total	**5.840**	
Delivery Plans as Opportunities		
Public Health	1,000	Cross directorate reallocations of budgets, detailed in opportunities.
Staff changes	0.100	Included within Resources opportunities
Children's Services Legal Costs	0.285	Included within Children's opportunities
CIL substitution for General Fund expenditure	0.300	Included within SCRER's Opportunities
Delays in the capital programme	0.605	Reduced amount of £605k included within Corporate as opportunities
Opportunities Total	**2.190**	
Grand Total	**8.131**	

2.16. Work will continue throughout the financial year to ensure the Deficit Recovery Plan supports the Council's financial position. The macroeconomic climate is causing pressure on the Council particularly from a very tight labour market and significant inflationary pressures. Energy expenditure has increased costs considerably, partly mitigated by the governments Energy Bill Relief Scheme

Reserves

2.17. When the 2022/23 budget was set £6.887m was set aside to add to General Fund Balances. The Month 8 position continues to reflect the full £6.887m contribution to balances being released to balance the budget. The position is set out in Table 2 below:
Table 2 – General Fund Balances

General Fund Balances	Budget 2022/2	Forecast Outturn
	£m	£m
Balance at 1st April 2022	**27.5**	**27.5**
Planned Contributions to/(from) Reserves	6.9	0
Balance at 31st March 2023	**34.4**	**27.5**

Unresolved Issues

2.18.   The Council's overall financial position is still subject to a number of unresolved issues. The latest position on these was set out in the 30 November 2022 Cabinet report titled 'Medium Term Financial Strategy 2023/24 to 2025/26 Update'. This report identified that the legacy adjustment required in relation to Croydon Affordable Homes/Croydon Affordable Tenues is likely to be a reduction to reserves of £9m. This is not yet fully resolved and a further adjustment, reducing reserves by a further £61m, may still be necessary. As well as this adjustment, further legacy adjustments have been identified for the 2019/20, 2020/21, 2021/22 and 2022/23 accounts arising from historic accounting errors. These total a reduction to reserves in those years of £74.6m. Many of the legacy issues identified also need to be adjusted in the Medium-Term Financial Strategy on an ongoing basis.

3.   **COST OF LIVING CONSIDERATIONS**

3.1.   This report focuses on the Council's budget forecast. It highlights that there are a number of inflationary pressures that the Council, like all local authorities, is managing. Inflation is at the highest level for 40 years. This impact goes beyond the Council as the cost of living is affecting all households and businesses.

3.2.   These macro-economic factors are impacted by international events, and therefore well beyond the control of Croydon Council. Despite the limitations, the Council is seeking to support households wherever possible.

3.3.   A dedicated cost of living information hub has been established on the Council's website. This provides a single source of information, informing residents of the financial support available and signposting to further support, advice and guidance. This information is continually reviewed, updated and improved.

3.4.   At a national level, household support has been announced in the form of a revised energy price guarantee, designed to limit the inflation on household energy bills. Households with a domestic energy connection are eligible for a £400 discount this winter. Residents on means-tested benefits will receive a £650 cost of living payment from Government.

3.5.   The Council provides a wide range of support for residents that may be struggling due to the cost-of-living pressures. These include:

- Discretionary support fund for residents in financial hardship

- Council Tax support – For residents on a low income or in receipt of benefits, Council Tax bills could be reduced by up to 100%
- Benefits calculator, to ensure residents receive all the support they are entitled to
- Energy advice, including heating and money saving options, through our Croydon Healthy Homes service
- Free holiday activity clubs with healthy meals for children
- Croydon Works to help residents into employment or get training to get them in to work and funds the voluntary sector to provide advice and guidance

3.6. The cost-of-living information hub also signposts residents to a range of support provided by other organisations in Croydon, including:

- NHS Healthy start vouchers for families
- Free school meals
- Support from voluntary, community and faith sector organisations
- Support for businesses through the London Business Hub and the British Business Bank
- CroydonPlus credit union offers affordable ways to manage money, including savings accounts and loans

4.   DETAILED FINANCIAL POSITION

4.1. The Month 8 financial forecast is largely driven by £14.492m described as the non-delivery of savings, but which is more a reflection of the issues around the accuracy of budgets. Further to this there are £2.373m of departmental pressures offset by a £0.978m corporate underspend, £4.000m use of earmarked reserves, £5.000m use of the general contingency budget and a budgeted £6.887m contribution to General Fund Reserves no longer going ahead.

4.2. The detailed forecast outturn per Directorate for the General Fund is shown below in Table 3.

Table 3 – Month 8 Forecast per Directorate

9

	Forecast Variance as at Current Month 8	Forecast Variance as at Prior Month 7	Change From Month 8 To 7		Savings Non-Delivery as at Month 8	Other Pressures as at Month 8
	(£,000's)	(£,000's)	(£,000's)		(£,000's)	(£,000's)
Children, Young People and Education	(2,838)	(1,386)	(1,452)		1,090	(3,928)
Adult Social Care and Health	(748)	(1,098)	350		5,314	(6,062)
Housing	2,647	3,517	(870)		1,761	886
Sustainable Communities Regen & Economic Recovery	14,547	14,662	(115)		5,743	8,804
Resources	3,886	5,200	(1,313)		172	3,714
Assistant Chief Executive	(629)	(241)	(388)		412	(1,041)
Departmental Total	**16,865**	**20,654**	**(3,787)**		**14,492**	**2,373**
Corporate Items & Funding	(16,865)	(20,654)	3,787		-	(16,865)
Total General Fund	**0**	**(0)**	**(0)**		**14,492**	**(14,492)**

4.3.   Net overspends and underspends within the service budgets are presented as a forecast variance (as per Table 3) and are additionally classified as either non-delivery of agreed in year savings or other pressures which were not foreseen or quantifiable at the time of setting the budget.

Risks and Risk mitigations

4.4.   The outturn forecast has been reported excluding further potential risks and risk mitigations which are summarised in Table 5 and detailed out in Appendix 5. Risks are split in to MTFS savings risks and other risks. Savings risks relate to savings proposals that were approved at Full Council in March 2022 to deliver a balanced budget. Other risks are risks that have risen from other operational challenges. Risk mitigations are proposals that the services have identified that would mitigate their risks and help bring spend back within budget.

MTFS Savings

4.5.   Savings are at various stages in their delivery. Savings which are not deliverable are included within the forecast as overspends. Table 4 below provides a summary of progress per directorate on delivery of their savings

10

targets. Both savings not delivered and those at risk of non-delivery are detailed in Appendix 3 and 4 of this report.

Table 4 – Progress on MTFS Savings

Division	Target Value £'000s	Balance Not Delivered (In Forecast) £'000s	On Track Value £'000s	Delivered Value £'000s	Current Month At Risk Value £'000s	Prior Month At Risk £'000s	Change from Prior Month At Risk £'000s
Children, Young People and Education	(9,564)	1,090	7,336	1,077	61	61	0
Adult Social Care and Health	(16,500)	5,314	1,851	8,364	971	971	0
Housing	(2,841)	1,761	682	0	398	398	0
Sustainable Communities Regen & Economic Recovery	(12,396)	5,743	2,969	967	2,718	2,718	0
Resources	(3,029)	172	2,857	0	0	0	0
Assistant Chief Executive	(9,543)	412	8,281	250	600	600	0
TOTAL FOR MTFS	(53,873)	14,492	23,976	10,658	4,748	4,748	0

4.6.   Details of the reasons for the variances and movements from the previous month are identified below together with details of risks and opportunities. The detail of each opportunity and risk both those that are quantifiable and non-quantifiable can been seen in detail in appendix 5 and 6 to this report. Table 5 below gives a summary of the risks and opportunities by department.

Table 5 – Summary of Risks and Opportunities

	MTFS Savings - At Risk	Other Quantifiable Risks	Quantifiable Opportunities	TOTAL
	£'000	£'000	£'000	£'000
Children, Young People and Education	61	1,698	(3,038)	(1,279)
Adult Social Care and Health	971	-	(380)	591
Housing	398	1,250	-	1,648
Sustainable Communities Regen & Economic Recovery	2,718	625	(1,292)	2,051
Resources	-		(100)	(100)
Assistant Chief Executive	600		(320)	280
Corporate Items & Funding	-	-	(605)	(605)
Total Month 8	**4,748**	**3,573**	**(5,735)**	**2,586**
Total Month 7	4,748	5,602	(4,420)	5,930
Variance	**-**	**(2,029)**	**(1,315)**	**(3,345)**

DIRECTORATE VARIANCES

4.7.   The chart below shows the forecast by Directorate for both the current and previous month:

Chart 2: Forecast per Directorate as at Month 8

Chart showing Previous Period and Current Period by directorate:
- Children, Young People and Education: (£2,838)
- Adult Social Care and Health: (£748)
- Housing: £2,647
- Sustainable Communities Regeneration and Economic Recovery: £14,547
- Resources: £3,886
- Assistant Chief Executive: (£629)
- Corporate Items & Funding: (£16,865)
- Total GF: £0
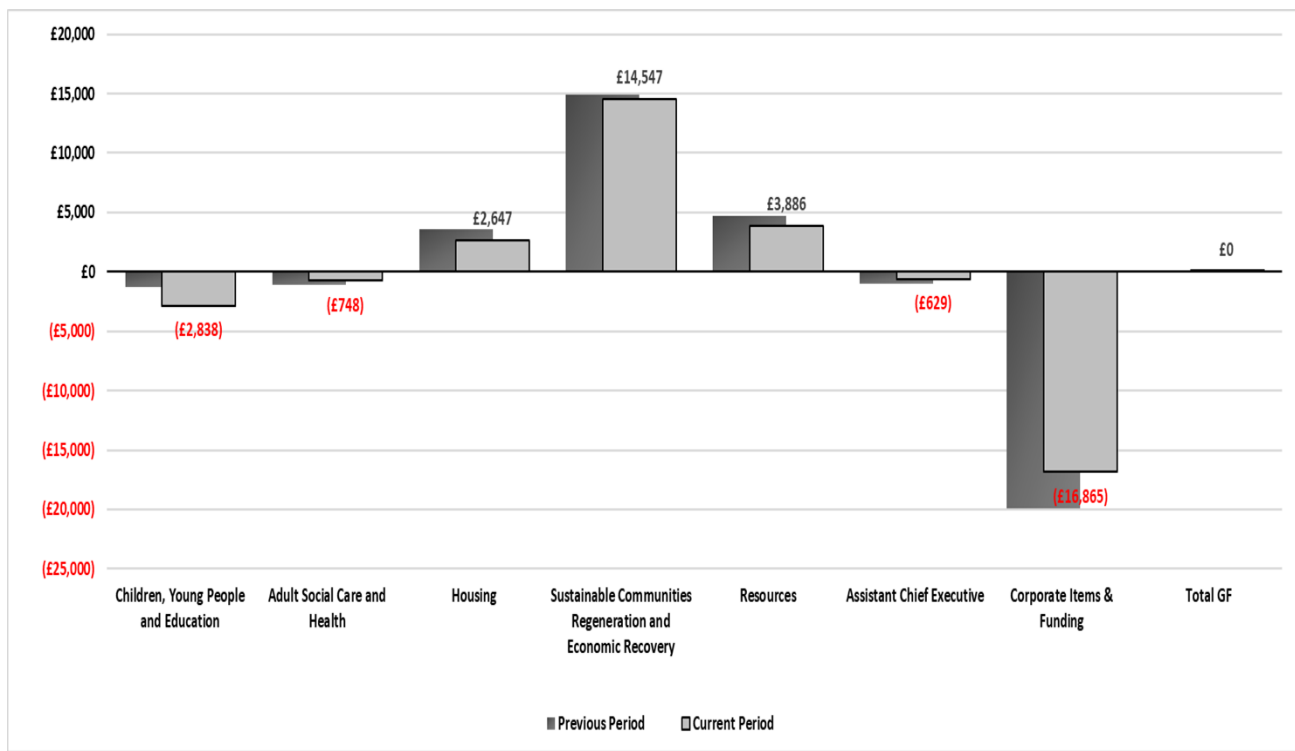
4.8 Children, Young People and Education (CYPE)

At Month 8 a **£2.838m underspend** has been forecast alongside £0.061m of MTFS savings at risk of non-delivery together with £1.698m of other risks against £3.038m of opportunities. This is a favourable movement from Month 7 of £1.452m.

The £2.838m underspend is the net position of £0.807m underspends in Quality, Commissioning and Performance Improvement, £2.074m in Children's Social Care and a minor pressure of £0.043m in non-DSG Education services.

The Directorate has also identified £1.698m of other risks which if realised could have a material impact on the CYPE forecast. This relates to cost pressures such as inflationary pressures above and beyond Council budgets.

However, the Directorate has identified potential one-off opportunities this year of £3.038m across Children's Social Care.

4.9 Adult Social Care and Health (ASCH)

At month 8 an **underspend of £0.748m** is forecast which is an adverse movement of £0.350m.

The forecast underspend of £0.748m is a net position, the key items being:

- £3.514m Underspend in staffing which is a favourable increase of £0.552m. However, this is a barrier to achieving savings as staff are focussed on statutory delivery rather than transformation. There is a national shortage of

13

both social workers and occupational therapists, recruitment to many roles is proving challenging.

- £0.668m Underspend following the detailed of 21/22 accruals for planned care cost. It is usual that care is delivered at a lower level than planned for many reasons including delayed hospital discharge, temporarily staying with family etc. However, this year is slightly higher than normal which is believed to be Covid related.

- £5.314 Non delivery of savings which had previously been shown as at risk. This is being mitigated by managing demand for care and other underspends. £8.364m savings have been delivered and a further £1.851 are on track to be delivered by year end

- £0.310m Overspend in care for 18–25-year-old Transitions clients which is a favourable movement of £0.245m from last month.

- £0.780m Underspend in Directorate comprising the resolution of Public Health funding issue of £0.380m and £0.400m due to delays to planned projects

Unquantified Risks present continued concerns as to impact upon the Directorate budget over the remainder of the financial year. However recently announced Adult Social Care Discharge Fund should mitigate the costs of new demands developing from the very challenging situation with hospital discharges.

In addition, inflation and rising fuel costs will result in significant expenditure for ASC Providers which may result in claims for increased fees and/or financial instability with potential for 'handing back' contracts.

At period 8 there were no quantified risks or opportunities.

4.10. **Housing**

At Month 8, Housing is forecasting a **£2.647m overspend** when compared to budget. This is largely a result of the ongoing pressure within the Emergency accommodation area (£2.6m overspend) and other pressures within the longer term leased temporary accommodation (£1.2m) against which there are small underspends to offset in some part these pressures within homelessness support.

The forecast is reflective of the rapidly worsening housing market within London within 2022 as private sector landlords are increasing rents or leaving the market; tenants are struggling with the cost-of- living crisis.

There has also been a concerted effort to hold homelessness accommodation costs down across London through partnerships with organisations like Capital Letters and via the agreed Pan-London temporary accommodation rates. The rates can no longer be contained through as demand outweighs available affordable supply. At a recent Pan London meeting, all boroughs confirmed that

14

they are no longer paying the agreed Pan London rates to ensure they meet their demand challenges. A combination of all these factors has led to an increase in both the average cost of emergency and temporary accommodation that Croydon can secure to meet demand, as well as an increase in the use of nightly paid emergency accommodation to compensate for the loss of some longer-term leased accommodation because of landlords leaving the market.

Pressures are expected to continue into 2023/24. DLUHC have responded to the consultation on the Homelessness Prevention Grant (HPG) funding to be made available for homelessness service and announced allocations for 2023/24 and 2024/25. Croydon will receive a 2% uplift on the current grant for 2023/24 and a 3% uplift for 2024/25. Some new reporting requirements will be attached and there are to be penalties for missing current reporting requirements.

4.11. **Sustainable Communities, Regeneration & Economic Recovery (SCRER)**

In Month 8, SCRER is forecasting a net **overspend of £14.547m**.

The main area of overspend relates to £13.6m shortfall in parking income, £0.839m relating to streetlighting energy costs and £0.5m SEN transport costs. This position has moved favourably from Month 7 by £0.115m.

There are also £0.625m other risks identified and £2.718m of MTFS savings at risk. However, the service has identified £1.292m of opportunities which will need to be worked through to confirm their achievability.

The service areas that are experiencing these overspends are within the Sustainable Communities division and particularly in the parking teams. Demand for parking services has not returned to pre-pandemic levels and this is affecting all areas of parking which includes, ANPR, pay and display and on-street parking. The division is also expecting delays in obtaining a license from government to run the Selective Licensing scheme which is further adding pressure of £1.580m.

The Council applied to renew its Landlord Licensing scheme in 2021/22 to the Department of Levelling Up, Housing and Communities (DLUHC). The Council budgeted for £1.5m of income that would be achievable from the scheme in this financial year. However, the scheme was rejected by the Secretary of State for DLUHC due to the lack of a Housing Strategy, one of the requirements for the scheme. The development of the Housing Strategy is being progressed but has not yet been completed due to the many other pressures on the Housing Service and the focus on the delivery of the Housing Improvement Plan. It also requires a review of the Council's policy for Landlord Licensing. It is expected that this will not be completed within the next 12 months and therefore for prudence the service is forecasting the non-delivery of the £1.5m income target. Further pressures are experienced within Planning and Sustainable Regeneration Services particularly in relation to Building Control income and income from Planning.

4.12. **Resources**

At Month 8, there is a **£3.886m overspend** projected which is a favourable movement from Month 7 of £1.314m. This movement primarily relates to the improved position, by £1.346m since Month 7, within Housing Benefits. This is the result of various on-going workstreams carried out as part of the Housing Benefit Transformation Project.

The forecast overspend for the year remains largely related to loss in housing benefit (HB) The predicted £6.339m overspend on HB is due to the difference between the value of HB expenditure and funding received from DWP on support exempt and temporary accommodation. This is offset by a net saving of £1.550m in Estates, Asset Management & Facilities. This relates to an historic budget for interest costs which is already covered within a corporate budget, offset by MTFS savings targets that are unachievable.

Currently there is a predicted overspend of £0.491m in Corporate Finance & Treasury. This relates to higher than budgeted spend on specialist finance work and agency costs pending a restructure of the department. A council wide rebasing of HRA recharges will lead to an increased recharge of £0.200m in year from the Finance Team and 0.£689m for increased insurance premium, insurance claim and anti-fraud costs, currently not shown in the forecast for Resources, but held corporately for P8.

There are no additional savings at risk and no further risks are reported at this point.

4.13. **Assistant Chief Executive**

At Month 8, a **£0.629m underspend** is being projected, which is a favourable movement of £0.388m from Month 7.

A proportion of this movement relates to the corporate virement for contract inflation of £0.210m mostly relating to IT contracts and a reduction the forecast of expenditure within the Learning & Organisational Development budget. Planned staffing reviews and holding of vacancies have achieved further savings across the Directorate.

Work is still being carried out to review fees and charges which were devolved to the service without consideration of demand. Delivery of fees and charges savings of £0.205m will not be met but will be offset by savings in other areas. For 2023/24 the saving will be replaced with a more robust fees and charges forecast for Bereavement and Registrars. Work on fees and charges for the Bereavement and Registrars service will be finalised for Month 9. Some work has been carried out within finance that will need confirming with the service early in the new year. Indicative figures have been passed to Corporate Finance.

The rationalisation of the software applications project has identified £0.450m of mitigations, which have been included within the forecast. Whilst the remaining £0.300m cannot be met, this is being mitigated down by in year

savings. This is not sustainable for 2023/24 onwards. A directive to stand down agency staff for two weeks over the Christmas period will go some way to mitigate the £0.600m saving for agency costs. This is a Council wide saving. Early indications are that this Directorate's proportion of the savings target will be met.

4.14. **Corporate Budgets**

At Month 8, the corporate position is projecting an **underspend of £16.865m**. The corporate budget holds funding and financing streams such as Council Tax, Business Rates income share and General Revenue Support Grant income. The corporate budget also allocates Council wide risk contingency, inflation growth budgets and budgets to fund corporate debt and interest charges.

The corporate projection is after the release of known inflationary pressures and the release of contingency for the impact of the pay award. It also includes a small contingency for further inflation pressures are likely to impact the Council's budget during the remainder of the year. The current uncommitted balance of the corporate inflation provision will continue to be held as a hedge against further pressures. The corporate projection also reflects underspends against contingency budgets and risk provisions. A provision of £1.400m has been released and relates to risks to a key commercial loan which is now expected to be fully paid back in full.

A one-off £4.0m of reserve drawdown will support the in-year inflationary pressures that the Council is facing. An opportunity has been identified due to the reversal of the 1.25% National insurance increase.

As set out in paragraph 2.17 the Month 8 forecast reflects that there will be no contribution to General Fund balances.

5.   **Housing Revenue Account (HRA)**

17

5.1   The HRA is forecasting a total overspend of £4.976m, which is now expected to be offset entirely by reductions in budgeted recharges from the general fund.

The pressure is made up of £2.085m additional utilities costs related to energy price increases; £1.540m of disrepair and legal costs relating to legally mandated repairs to HRA properties; £0.709m of increased bad debt costs as rent collection has worsened during the cost-of-living crisis; void costs of £0.414m; garage voids of £0.286m.

Increased energy costs have been factored into the 2023/24 budget to ensure this is not an ongoing pressure.

A stock condition survey is scheduled to begin imminently which will provide better data to plan and prioritise refurbishment work programmes required which will begin to address the disrepair issues over the longer term.

A programme is underway to address the issue of void properties which is forecast to have a financial impact on tenant rents, tenants service charges and premises security costs of £0.414m in 2022/23.

A corporate review of debt has included HRA debt and a proposal for a further provision increase of up to £3m over and above the current forecast position may be progressed. Getting the debt position right by writing off uncollectable debt and providing for debt at appropriate levels will mean realistic targets and improved monitoring processes can be set up for debt collection, ultimately benefitting the HRA account.

The review of recharges is almost complete, and the next step will be to ultimately confirm the impact on the 2022/23 accounts as well as the other sets of accounts that remain open. The benefit to the HRA remains estimated as £9m-£10m per annum.

18

Table 5 – Housing Revenue Account Month 8 forecast

	Current Budget 2022/23	YTD (Apr- Nov)	Previous months Forecast M7 October	Current Month Forecast M8	Movement	Variance
	£'000	£'000	£'000	£'000	£'000	£'000
TOTAL INCOME	**(91,240)**	**(56,727)**	**(89,661)**	**(89,655)**	**6**	**1,585**
Total: Responsive Repairs & Safety	17,950	10,295	19,263	19,297	34	1,347
Total Housing Estates & Improvement (Division)	20,961	11,793	21,945	22,011	66	1,050
Tenancy & Resident Engagement	8,374	3,557	10,936	11,186	250	2,812
Homelessness & Assessments	4,382	1,770	4,237	4,186	(51)	(196)
Service Development service	2,060	426	2,068	2,088	0	28
TOTAL EXPENDITURE	**91,240**	**14,501**	**94,246**	**94,631**	**385**	**3,391**
NET EXPENDITURE	**0**	**(42,227)**	**4,586**	**4,976**	**391**	**4,976**

6.   Capital Programme

6.1   The General Fund and Housing Revenue Account capital programmes have currently spent **£29.886m** to the end of Month 8. This is against a revised budget of **£118.775m** which is subject to approval as part of this report.

6.2   Forecast spend for the year is **£99.546m** against the revised budget resulting in a forecast underspend of **£19.229m**.

6.3   Table 6 below summarises the capital spend to date by directorate with further details of individual schemes provided in Appendix 2. Table 7 gives details of how the capital programme is financed.

Table 6 – Capital Programme as at Month 8

General Fund Capital Programme	Revised 2022-23	Actual	Forecast as at Month 8	Variance
	2022/23	2022/23	2022/23	2022/23
	£'000	£'000	£'000	£'000
ADULT SOCIAL CARE AND HEALTH	-	30	30	30
HOUSING	4,392	1,202	3,038	(1,354)
ASSISTANT CHIEF EXECUTIVE	6,965	2,495	7,495	530
CHILDREN, YOUNG PEOPLE AND EDUCATION	6,749	2,428	5,325	(1,424)
SUSTAINABLE COMMUNITIES, REGEN & ECONOMIC RECOVERY	37,137	9,466	26,809	(10,328)
RESOURCES	8,868	1,913	6,330	(2,538)
CORPORATE	4,049	-	4,049	-
SUB TOTAL	**68,160**	**17,534**	**53,076**	**(15,084)**
Capitalisation Direction	25,000	-	25,000	-
General Fund Total	**93,160**	**17,534**	**78,076**	**(15,084)**
HOUSING REVENUE ACCOUNT	25,615	12,352	21,470	(4,145)
LBC Capital Programme Total	**118,775**	**29,886**	**99,546**	**(19,229)**

Table 7 – Capital Programme Financing as at Month 8

	Revised 2022-23 Budget	Forecast as at P8	Variance
	£'000	£'000	£'000
General Fund			
CIL	8,953	8,152	801
s106	550	584	(34)
Grants & Other Contributions	19,485	17,775	6,423
Growth Zone	6,888	0	6,888
HRA Contributions	1,742	0	1,742
Capital Receipts	4,049	4,049	0
Reserves	0	0	0
Borrowing	51,493	47,516	3,977
Total General Fund Financing	**93,160**	**78,076**	**15,084**
HRA			
Grant	1,200	0	1,200
MRR	12,336	12,336	0

20

	Revised 2022-23 Budget	Forecast as at P8	Variance
	£'000	£'000	£'000
Revenue	0	0	0
Reserves	9,902	9,134	768
Borrowing	2,177	0	2,177
Total HRA Financing	**25,615**	**21,470**	**4,145**
Total GF & HRA Financing	**118,775**	**99,546**	**19,229**

6.4   The Month 8 forecast financing indicates a reduction of £4.0m of borrowing required this financial year for the General Fund and a £2.2m reduction in the borrowing required for the Housing Revenue Account.

7   VIREMENTS

7.1   The table below gives details of virements that require Cabinet approval due to their value exceeding £500,000.

Table 8 – 2022/23 Virements

	£000
Allocation of 2021/22 Pay Award - permanent virement not completed in year	2,954
Increase in National insurance of 1.25%	1,488
Clawback of the 1.25% increase that was reversed	614
Contract inflation virement from corporately held budgets to various departments	16,057
2022/23 Pay Award virement from corporately held budgets to departments	11,512
Transfer of Public Health savings from Children's and Adults into Corporate	780

8   FINANCIAL AND RISK ASSESSMENT IMPLICATIONS

8.1   Finance comments have been provided throughout this report.

8.2   The Council continues to operate with internal spending controls to ensure that tight financial control and assurance oversight are maintained, and a new financial management culture is being implemented across the organisation through increased communication on financial issues and training for budget managers.

8.3   The virements presented for approval are in compliance with section 2.3 of the Financial Regulations, which specifies that inter-departmental virements above £500,000 require approval of the Cabinet.

8.4   The Council currently has a General Fund Reserve of £27.50m which serves as a cushion should any overspend materialise by the end of 2022/23. The use of reserves to support the budget is not a permanent solution and reserves must be replenished back to a prudent level in subsequent years if used.

(Approved: Jane West – Corporate Director of Resources & S151 Officer)

9   LEGAL IMPLICATIONS

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

9.2   Section 28 of the Local Government Act 2003 provides that the Council is under a statutory duty to periodically conduct a budget monitoring exercise of its expenditure and income against the budget calculations during the financial year. If the monitoring establishes that the budgetary situation has deteriorated, the Council must take such remedial action as it considers necessary to deal with any projected overspends. This could include action to reduce spending, income generation or other measures to bring budget pressures under control for the rest of the year. The Council must act reasonably and in accordance with its statutory duties and responsibilities when taking the necessary action to reduce the overspend.

9.3   In addition, the Council is required by section 151 of the Local Government Act 1972 to make arrangements for the proper administration of its financial affairs. The Council's Chief Finance Officer has established financial procedures to ensure the Council's proper financial administration. These include procedures for budgetary control. It is consistent with these arrangements for Cabinet to receive information about the revenue and capital budgets as set out in this report. Arrangements under section 151 also include setting appropriate financial accountabilities in Financial Regulations, including in relation to virements.

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

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

10   HUMAN RESOURCES IMPACT

10.1   There are no immediate workforce implications as a result of the content of this report, albeit there is potential for a number of the proposals to have an impact on staffing. Any mitigation on budget implications that may have direct effect on staffing will be managed in accordance with relevant human resources policies and where necessary consultation with recognised trade unions.

22

10.2 The Council is aware that many staff may also be impacted by the increase in cost of living. Many staff are also Croydon residents and may seek support from the Council including via the cost of living hub on the intranet. The Council offers support through the Employee Assistant Programme (EAP) and staff may seek help via and be signposted to the EAP and other appropriate sources of assistance and advice on the Council's intranet.

Approved by Dean Shoesmith, Chief People Officer)

11 EQUALITIES IMPLICATIONS

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

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

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

11.2 In setting the Council's budget for 2022/2023, all savings proposals must complete an Equality Impact Assessment. As Officers deliver against the approved budget, including the savings within it, they will continue to monitor for any unanticipated equality impacts. If any impacts arise, officers will offer mitigation to minimise any unintended impact.

11.3 The core priority of the Equality Strategy 2020-2024 is to tackle ingrained inequality and poverty and tackling the underlying causes of inequality and hardship, like structural racism, environmental injustice and economic injustice. The budget should take due regard to this objective in relation to each protected characteristic. The Borough's responsibility to asylum seekers, young people, disabled people and their families along with adults utilising social care provision is key to this regard. Though families and single parents are not classed as a protected characteristic under Equality Act 2010, the impact may still be considered locally.

11.4 The cost-of-living increase has impacted heavily on the most economically vulnerable in society. Energy increases have led to some vulnerable groups having to make a choice between heating and eating. The support provided to some families by the government will go some way to supporting residents and families in need. Despite proposed increases in fees and charges being below the rate of inflation they may still have a detrimental impact on residents from our most vulnerable groups. This could potentially have an adverse impact on poverty and inequality which may potentially impact on some characteristics more than others. Research identifies the impact on some Disabled groups, communities from the Global Majority, African, Asian, African Caribbean households and other communities, young people. Research also indicates that

there is an intersectional impact on young people from racialised communities and both Disabled and pregnant women. Deprivation in borough is largely focused in the north and the east where most ethnic residents from the African, African Caribbean and Asian communities reside.

11.5   In setting this budget the Council has sought to mitigate the impact on all residents who may be economically affected at this time. Research states that the protected characteristics that are likely to be most impacted by fee rises and the cost-of-living increase are: young people, African, African Caribbean and Asian communities, Disabled people and some pregnant women. There is also an intersectional aspect to the impact on equality, such as a higher impact on female dual heritage Disabled individuals and young people from Asian and African/African Caribbean communities have been more affected.

11.6   The Council have undertaken a wide range of initiatives to mitigate the effects for those in most need. Details of mitigation for residents is in paragraphs 3.5. Mitigation through support to residents delivered by other local organisations is detailed in paragraph 3.6. The measures include: a cost-of-living hub, a range of financial support and advise including discretionary support and additional support payments, Council tax support, energy advice and a benefit calculator. Residents are also signposted to support from community partners in the delivery of initiatives to support residents such as healthy Schools Clubs. These packages are available to all eligible residents irrespective of equality characteristics and are targeted at those residents who are in the most need.

11.7   The full impacts of Covid 19 and long Covid on the Adult Social Care Service are   suggested to have an impact on potential spend. This will be exasperated throughout the winter months which see increases in both Covid 19 and flu.

11.8   The impact on poverty and inequality may be increased for those residents who were economically affected by Covid 19 and are currently in rent arrears, have debt to energy companies or elsewhere.

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

12   ENVIRONMENTAL IMPLICATIONS

12.1   There are no specific environmental impacts set out in this report

13   CRIME AND DISORDER IMPLICATIONS

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

14   DATA PROTECTION IMPLICATIONS

14.1   There are no specific data protection implications as the report does not contain any sensitive/personal data.

Approved by Nish Popat – Interim Head of Corporate Finance

24

List of Appendices
Appendix 1 – Service Budgets and Forecasts Month 6
Appendix 2 – Capital Programme Month 6
Appendix 3 – MTFS savings not delivered and at risk
Appendix 4 – MTFS Savings At Risk
Appendix 5 – Other quantifiable and unquantifiable risks
Appendix 6 – Quantifiable and unquantifiable opportunities

Appendix 1 – Service Budgets and Forecasts Month 8

	Approved Budget	Current Actuals	Full-Yr Forecast	Projected Variance
	(£,000's)	(£,000's)	(£,000's)	(£,000's)
C1410E : ADULT SOCIAL CARE OPERATIONS	114,832	78,664	113,714	(1,117)
C1405E : TOTAL ADULT SOCIAL CARE AND HEALTH DIRECTORATE SUMMARY	1,195	806	795	(400)
C1420E : ADULT SOCIAL CARE POLICY AND IMPROVEMENT	15,333	7,130	16,103	770
TOTAL ADULTS	**131,360**	**86,600**	**130,612**	**(748)**
C1305E : RESIDENT ENGAGEMENT AND ALLOCATIONS	9,478	6,437	12,132	2,654
C1310E : ESTATES AND IMPROVEMENT	108	325	101	(7)
TOTAL HOUSING	**9,586**	**6,762**	**12,233**	**2,647**
C1110E : SUSTAINABLE COMMUNITIES REGEN & ECONOMIC RECOVERY DIRECTORATE SUMMARY	(220)	511	(215)	5
C1120E : SUSTAINABLE COMMUNITIES	27,449	32,298	41,101	13,652
C1130E : CULTURE AND COMMUNITY SAFETY DIVISION	5,614	4,184	5,042	(572)
C1140E : PLANNING AND SUSTAINABLE REGENERATION DIVISION	1,421	4,744	2,883	1,462
TOTAL SUSTAINABLE COMMUNITIES REGEN & ECONOMIC RECOVERY	**34,264**	**41,737**	**48,811**	**14,547**
C1605E : RESOURCES DIRECTORATE SUMMARY	(6,910)	301	(6,901)	9
C1610E : DIRECTOR OF FINANCE	9,964	110,441	15,054	5,090
C1620E : PENSIONS DIVISION	417	905	369	(48)
C1625E : MONITORING OFFICER	2,436	1,383	2,329	(108)
C1630E : INSURANCE, ANTI-FRAUD AND RISK	1,057	2,220	906	(151)
C1640E : LEGAL SERVICES DIVISION	(1,387)	359	(0)	1,387
C1650E : INTERNAL AUDIT SERVICE	414	674	522	108
C1690E : COMMERCIAL INVESTMENT AND CAPITAL DIVISION	16,952	5,878	14,552	(2,400)
TOTAL RESOURCES	**22,943**	**122,161**	**26,829**	**3,886**
C1205E : CHILDREN, YOUNG PEOPLE AND EDUCATION	605	324	605	-

26

	Approved Budget	Current Actuals	Full-Yr Forecast	Projected Variance
	(£,000's)	(£,000's)	(£,000's)	(£,000's)
C1210E : CHILDREN'S SOCIAL CARE	74,899	40,806	72,825	(2,074)
UNACCOMPANIED ASYLUM SEEKING CHILDREN (UASC) AND CARE LEAVERS	(4,760)	(1,050)	(4,760)	-
C1220E : EDUCATION DIVISION - exc DSG	7,689	26,115	7,732	43
C1230E : QUALITY, POLICY AND PERFORMANCE IMPROVEMENT	6,412	2,501	5,605	(807)
TOTAL CHILDRENS, FAMILIES AND EDUCATION	**84,845**	**68,695**	**82,007**	**(2,838)**
C1505E : ASSISTANT CHIEF EXECUTIVE DIRECTORATE SUMMARY	(62)	552	53	115
C1510E : CROYDON DIGITAL AND RESIDENT ACCESS	23,992	18,749	24,506	514
C1520E : CHIEF PEOPLE OFFICER DIVISION	3,387	2,305	3,083	(304)
C1530E : POLICY, PROGRAMMES AND PERFORMANCE	6,362	7,080	5,409	(953)
C1540E : PUBLIC HEALTH	-	(12,782)	(0)	(0)
C1550E : SERVICE QUALITY, IMPROVEMENT AND INCLUSION	-	(2,249)	(0)	(0)
TOTAL ASSISTANT CHIEF EXECUTIVE	**33,679**	**13,655**	**33,050**	**(629)**
TOTAL	**316,677**	**339,611**	**333,542**	**16,865**

Appendix 2 – Capital Programme Month 8

CAPITAL BUDGETS, MONITORING AND FORECASTS - PERIOD 8	Revised 2022-23 Budget	Actual to Date as at 30/11/22	2022/23 Forecasts as at Period 8	Variance for Year
Scheme Name	2022/23	2022/23	2022/23	2022/23
	£'000	(£,000's)	(£,000's)	(£,000's)
Disabled Facilities Grant	3,992	1,039	2,500	(1,492)
Empty Homes Grants	400	25	400	-
Unsuitable Housing Fund	-	138	138	138
HOUSING	**4,392**	**1,202**	**3,038**	**(1,354)**
Adults ICT	-	-	-	-
Adult Social Care Provision	-	30	30	30
ADULT SOCIAL CARE AND HEALTH	**-**	**30**	**30**	**30**
Bereavement Services	1,775	1,399	1,775	-
Bereavement Services Vehicles	39	-	39	-
Finance and HR system	-	1	1	1
My Resources Interface Enhancement	75	-	75	-
ICT	-	633	685	685
Network Refresh	141	-	141	-
Tech Refresh	610	-	610	-
Geographical Information Systems	65	-	65	-
Laptop Refresh	222	-	222	-
Cloud and DR	198	-	198	-
People ICT	-	462	85	85
Synergy Education System	1,030	-	1,038	8
NEC Housing System	2,680	-	2,431	(249)
Uniform ICT Upgrade	130	-	130	-
ASSISTANT CHIEF EXECUTIVE	**6,965**	**2,495**	**7,495**	**530**
Education – Fire Safety Works	776	-	750	(26)
Education - Fixed Term Expansions	747	49	547	(200)
Education - Major Maintenance	3,708	1,844	2,508	(1,200)
Education - Miscellaneous	134	177	134	-
Education - Permanent Expansion	319	22	319	-
Education - Secondary Estate	39	41	41	2
Education - SEN	1,026	295	1,026	-
CHILDREN, YOUNG PEOPLE AND EDUCATION	**6,749**	**2,428**	**5,325**	**(1,424)**
Allotments	200	177	200	-
Fairfield Halls-Council Fixtures & Fittings FFH	574	571	571	(3)
Growth Zone	5,988	76	2,071	(3,917)

28

CAPITAL BUDGETS, MONITORING AND FORECASTS - PERIOD 8	Revised 2022-23 Budget	Actual to Date as at 30/11/22	2022/23 Forecasts as at Period 8	Variance for Year
Scheme Name	2022/23	2022/23	2022/23	2022/23
	£'000	(£,000's)	(£,000's)	(£,000's)
Grounds Maintenance Insourced Equipment	1,000	-	-	(1,000)
Highways	8,618	5,847	8,618	-
Highways - flood water management	895	370	895	-
Highways - bridges and highways structures	3,403	1,684	2,611	(792)
Highways - Tree works	56	10	56	-
Local Authority Tree Fund	96	-	96	-
Trees Sponsorship	46	-	46	-
Mitigate unauthorised access to parks and open spaces	-	-	-	-
Leisure Equipment Upgrade	306	276	306	-
Leisure centres equipment Contractual Agr	430	-	-	(430)
Leisure Centre - Tennis Crt	75	-	-	(75)
Libraries Investment - General	224	110	224	-
Library Self-Service Kiosks	200	-	-	(200)
Parking	2,731	-	2,731	-
Removal of Pay & Display	366	-	-	(366)
Play Equipment	150	75	150	-
Safety - digital upgrade of CCTV	1,551	-	1,539	(12)
Section 106 Schemes	-	3	3	3
HIGHWAY SIGNAGE	274	-	274	-
South Norwood Good Growth	1,121	(325)	925	(196)
Kenley Good Growth	583	302	583	-
Sustainability Programme	550	-	25	(525)
TFL - LIP	4,835	278	4,835	-
Cycle Parking	226	-	-	(226)
EVCP	1,081	-	-	(1,081)
Car Club	-	-	-	-
Waste and Recycling Investment	1,558	-	-	(1,558)
Waste and Recycling - Don't Mess with Croydon	-	12	50	50
SUSTAINABLE COMMUNITIES, REGEN & ECONOMIC RECOVERY	**37,137**	**9,466**	**26,809**	**(10,328)**
Asset Strategy - Stubbs Mead	50	-	50	-
Asset Strategy Programme	40	-	40	-
Asset Acquisition Fund	50	-	50	-
Clocktower Chillers	30	-	30	-
Corporate Property Maintenance Programme	2,500	638	2,360	(140)

CAPITAL BUDGETS, MONITORING AND FORECASTS - PERIOD 8	Revised 2022-23 Budget	Actual to Date as at 30/11/22	2022/23 Forecasts as at Period 8	Variance for Year
Scheme Name	2022/23	2022/23	2022/23	2022/23
	£'000	(£,000's)	(£,000's)	(£,000's)
Brick by Brick programme	4,150	-	2,097	(2,053)
Fairfield Halls - Council	1,500	1,275	1,455	(45)
Fieldway Cluster (Timebridge Community Centre)	248	-	248	-
Former New Addington Leisure Centre	300	-	-	(300)
RESOURCES	**8,868**	**1,913**	**6,330**	**(2,538)**
Capitalisation Direction	25,000	-	25,000	-
Transformation Spend (Flexible Capital Receipts)	4,049	-	4,049	-
CORPORATE ITEMS & FUNDING	**29,049**	**-**	**29,049**	**-**
NET GENERAL FUND TOTAL	**93,160**	**17,534**	**78,076**	**(15,084)**
Asset management ICT database	155	117	155	-
Fire safety programme	-	718	512	512
Major Repairs and Improvements Programme	22,083	11,501	20,803	(1,280)
Trelis Mews	3,377	-	-	(3,377)
Affordable Housing	-	16	-	-
HOUSING REVENUE ACCOUNT	**25,615**	**12,352**	**21,470**	**(4,145)**
GROSS CAPITAL PROGRAMME	**118,775**	**29,886**	**99,546**	**(19,229)**

Appendix 3 – MTFS savings not delivered

MTFS Target Reference	MTFS Savings Description	Total Target	Savings Non-Delivery as at Month 8
		(£,000's)	(£,000's)
22/23 CYPE 09	Refocusing Public Health funding - New Youth & Wellbeing Offer	(300)	300
22/23 CYPE 07a	NHS Funding	(490)	490
22/23 CYPE 07b	NHS Funding	(300)	300
Children, Young People and Education Total			
22/23 ASCH 07	Refocusing Public Health funding - New Youth & Wellbeing Offer	(380)	380
21/22 ASCH 01	Baseline Savings - Disabilities Operational Budget	(4,371)	2,021
21/22 ASCH 02	Stretch Savings - Disabilities Operational Budget	(1,213)	1,213
21/22 ASCH 08	Baseline Savings - Older People Operational Budget	(3,195)	1,195
22/23 ASCH 02	Review of Older Adults Packages of Care	(505)	505
Adult Social Care and Health Total			
22/23 HOUS 01	Impact of maximising homelessness prevention	(578)	578
22/23 HOUS 02	Impact of increasing speed of homelessness decisions	(101)	101
22/23 HOUS 03	Increase use of LA Stock for EA/TA	(163)	163
22/23 HOUS 07	Ending EA/TA where the council has no duty	(193)	193
22/23 HOUS 10	Housing supply pipeline maximisation	(80)	80
22/23 HOUS 11	Contract Reviews	(250)	250
22/23 HOUS 13	Income Maximisation - Rent Collection	(240)	0
22/23 HOUS 14	Resident Engagement & Tenancy Services £100,000 saving in 22/23	(100)	100

MTFS Target Reference	MTFS Savings Description	Total Target	Savings Non-Delivery as at Month 8
		(£,000's)	(£,000's)
22/23 HOUS 04	Repurpose under-utilised sheltered housing stock	(158)	158
22/23 HOUS 09	Incentivising temporary accommodation leasing schemes	(138)	138
Housing Total			
21/22 SCRER 11	ANPR camera enforcement	(3,180)	2,040
21/22 SCRER 16	Revised Landlord Licensing scheme	(2,300)	2,300
22/23 SCRER 06	Review and reduction of the Neighbourhood Operations (NSO team)	(950)	450
22/23 SCRER 08	Introduction of a variable lighting policy	(417)	417
22/23 SCRER 15	Bus Re-Tender Contract Savings	(120)	40
22/23 SCRER 16	Private Sector Environmental Enforcement	(250)	125
22/23 SCRER 17	Parking charges increase	(650)	285
22/23 SCRER 18	Independent travel optimisation	(20)	20
22/23 SCRER 21	Increase in Pre-Planning Applications	(66)	66
Sustainable Communities Regen & Economic Recovery Total			
21/22 RES 03d	Fees And Charges	(28)	28
22/23 RES 20d	Increase in fees and charges	(142)	142
22/23 RES 20e	Increase in fees and charges	(2)	2
Resources Total			
Corporate Items & Funding Total			
21/22 ACE 05	Fees And Charges	(19)	19
22/23 ACE 12	Increase in fees and charges	(93)	93

32

MTFS Target Reference	MTFS Savings Description	Total Target	Savings Non-Delivery as at Month 8
		(£,000's)	(£,000's)
22/23 ACE 09	Rationalisation of software applications and contracts	(750)	300
Assistant Chief Executive Total			
Total Savings Not delivered			**14,492**

33

Appendix 4 – MTFS Savings at Risk

MTFS Savings Ref	MTFS Savings Description	Savings at risk as at Month 8	Savings at risk as at Month 7	Change From Prior Month 8 To Month 7
		(£,000's)	(£,000's)	(£,000's)
21/22 CYPE 05	Review Support for Young People where Appeal Rights Exhausted	61	61	0
21/22 CYPE 06	Improve Practice System Efficiency	0	0	0
22/23 CYPE 07a	NHS Funding	0	0	0
22/23 CYPE 07b	NHS Funding	0	0	0
Children, Young People and Education Total		**61**	**61**	**0**
21/22 ASCH 01	Baseline Savings - Disabilities Operational Budget	850	971	0
21/22 ASCH 05	Baseline Savings - Mental Health Operational Budget	0	0	0
21/22 ASCH 08	Baseline Savings - Older People Operational Budget	0	0	0
21/22 ASCH 04	Review of Contracts - OBC Commissioning, Working Age Adults Commissioning and Public Health commissioning	36	36	0
21/22 RES 06	HWA contract savings	35	35	0
22/23 ASCH 03	Review of Mental Health Packages of Care	50	50	0
Adult Social Care and Health Total		**971**	**971**	**0**
22/23 HOUS 12	Staffing Review	158	158	0
22/23 HOUS 13	Income Maximisation - Rent Collection	240	240	0
Housing Total		**398**	**398**	**0**
21/22 SCRER 14a	Fees And Charges	350	350	0

34

MTFS Savings Ref	MTFS Savings Description	Savings at risk as at Month 8	Savings at risk as at Month 7	Change From Prior Month 8 To Month 7
		(£,000's)	(£,000's)	(£,000's)
22/23 SCRER 06	Review and reduction of the Neighbourhood Operations (NSO team)	260	260	0
22/23 SCRER 12	Contract Savings - Pay and Display Machines	300	300	0
22/23 SCRER 16	Private Sector Environmental Enforcement	63	63	0
22/23 SCRER 19	New gym in Monks Hill Leisure Centre	90	90	0
22/23 SCRER 20	Non-capital and contract impact of Purley Leisure Centre closure	50	50	0
22/23 SCRER 28	Merger of Management Functions in Place	100	100	0
22/23 SCRER 17	Parking charges increase	365	365	0
21/22 SCRER 11	ANPR camera enforcement	1,140	1,140	0
Sustainable Communities Regen & Economic Recovery Total		**2,718**	**2,718**	**0**
22/23 ACE 18	Contract Savings - Managed Service Provider for Temporary Agency Resources £600K saving in 22/23	600	600	0
Assistant Chief Executive Total		**600**	**600**	**0**
Total Savings at Risk		**4,748**	**4,748**	**0**

Appendix 5 – Other quantifiable and unquantifiable risks

Quantified Risks	P8 £'000	P7 £'000	Details of Risk
Children, Young People and Education	**1,698**	**2,698**	**CLA Cost of Living £0.500m** There is an expectation that children in care providers will increase placement costs as cost of living rises
			Pension shortfall pressure £1.198m The increase in the pension contribution in 2020/21 from 16.1% to 26.2% has not been fully funded
Adult Social Care and Health	-	-	None
Housing	**1,250**	**1,250**	**Emergency Accommodation (EA) Bad Debt Provision £0.250m** The workings behind the forecast for the bad debt provision need reviewing as the model is suggesting increases in the forecast whilst collection rates have improved
			Emergency Accommodation Activity levels £1.000m Targeted changes to service operation have been made to reduce the number of people supported by the EA service. These changes are embedded at August 2022 but the financial ledger and other reporting do not reflect lower numbers in the service but instead suggest that numbers are increasing. Investigatory work is about to commence to better understand the activity drivers and the links to the financial results and ensure a more accurate forecast can be brought in future months.
			Capital Staff Recharges (£169k) As there is no TfL capital funding thus far this year, this is creating a risk of not being able to recharge staff time to capital at the level anticipated in the budget.
			Additional Income (7 additional CEOs) £0.077m Additional Income (7 additional CEOs)Parking Income at risk as we have had difficulties in attracting applicants to the vacant CEO roles
			Additional Income £0.192m Additional Income (10p per 30mins) and Ringo discount threshold lower to 100 CO2g/km

Sustainable Communities Regen & Economic Recovery	**625**	**1,654**	**Inflationary Pressure on Fairfield Halls £0.187m** Inflationary Pressure on Fairfield Halls contribution requested by BH Live
			Capital Staff Recharges (£169k) As there is no TfL capital funding thus far this year, this is creating a risk of not being able to recharge staff time to capital at the level anticipated in the budget.
Resources	-	-	None
Assistant Chief Executive	-	-	None
Total Quantified Risks	**3,573**	**5,602**	

Un-Quantified Risks	**P8 £'000**	**P7 £'000**	**Details of Risk**
Children, Families and Education	-	-	None
Adults, Health and Social Care			Potential post Covid-19 pandemic latent demand working through the population resulting in additional care packages placements.
			Inflation, rising fuel and food costs significant expenditure for care providers - may result in claims for increased fees or face financial instability
			High vacancy rate is caused by significant challenges in recruitment across the Directorate. This means staff are focussed on statutory delivery, rather than transformation. This is a national issue.
			There is Hospital discharge pressure as the current system risk is running at winter levels due to Covid and backlog despite being summer. Work is being done on a deep dive, as the numbers of placements and equipment cost are rising.
Housing			**New Housing Structure (temporary)** There remains a temporary structure within Housing, including an Interim Director of Tenancy Services. A change programme is being developed and a bid for Transformation Funding to resource it has been submitted.

37

			Fire at Sycamore House The financial impact of the fire at Sycamore House, Thornton Heath is as yet unquantifiable.
Sustainable Communities Regen & Economic Recovery	-		**Risk To NSRWA Related Income Highways and Parking** Although unknown at this stage there is a potential risk to New Roads and Street Works Act Income due to delays and disputes with Utility Companies. Further work is being undertaken to quantify these risks and where possible mitigate the effect.
Resources	-		**Legal Trading Model** The legal trading services model is under review. Until this review is completed officers are flagging this area as a risk. Last year Legal Services were overspent.by £306,000.
Assistant Chief Executive			Risk based upon the lack of available graves for sale until the cemetery extension opens
			Increased competition from neighbouring facilities, perceived increase in direct cremations, viewed as the cheaper option for families as inflation starts to take effect
Corporate Items & Funding	-	-	None
Total Un-Quantified Risks			

Un-Quantified Risks	P8 £'000	P7 £'000	Details of Risk
Children, Young People and Education			None
Adults, Health and Social Care			**Potential post Covid-19** pandemic latent demand working through the population resulting in additional care packages placements.
			Inflation, rising fuel and food costs significant expenditure for care providers - may result in claims for increased fees or face financial instability
			High vacancy rate is caused by significant challenges in recruitment across the Directorate. This means staff are focussed on statutory delivery, rather than transformation. This is a national issue.
			There is Hospital discharge pressure as the current system risk is running at winter levels due to Covid and backlog despite being summer. Work is being done on a deep dive, as the numbers of placements and equipment cost are rising.
Housing			**New Housing Structure (temporary)** There remains a temporary structure within Housing, including an Interim Director of Tenancy Services. A change programme is being developed and a bid for Transformation Funding to resource it has been submitted.
			Fire at Sycamore House The financial impact of the fire at Sycamore House, Thornton Heath is as yet unquantifiable.
Sustainable Communities Regen & Economic Recovery			**Risk To NSRWA Related Income Highways and Parking** Although unknown at this stage there is a potential risk to New Roads and Street Works Act Income due to delays and disputes with Utility Companies. Further work is being undertaken to quantify these risks and where possible mitigate the effect.
Resources			**Legal Trading Model** The legal trading services model is under review. Until this review is completed officers are flagging this area as a risk. Last year Legal Services were overspent.by £306,000.

39

Assistant Chief Executive			Risk based upon the lack of available graves for sale until the cemetery extension opens
			Increased competition from neighbouring facilities, perceived increase in direct cremations, viewed as the cheaper option for families as inflation starts to take effect
Corporate Items & Funding			None
Total Un-Quantified Risks			

40

Appendix 6 Quantifiable and unquantifiable opportunities

Quantified Opportunities	P8 £'000	P7 £'000	Details of Opportunities
Children, Young People and Education	(3,038)	(1,783)	**0-17 CWD – (£0.650m)** Possible underspend in care packages due to the reduction in 0-17 CWD children numbers
			Grant income – (£0.800) Additional Grant income
			Recruitment – (£0.390m) Vacant social worker posts across the division due to delays in permanent recruitment meaning the recruitment and retention budget will underspend
			Vacancies pending permanent recruitment (£1.198m) Ongoing delays in recruitment and onboarding of international social workers
Adult Social Care and Health	(380)	(380)	**Public Health (£0.380m)** Ongoing Internal Review of Public Health Funding towards related expenses
Housing	-	-	None
Sustainable Communities Regen & Economic Recovery	(1,292)	(1,292)	**Community Infrastructure Levy Review (£0.300m)** Further use of CIL monies to support revenue expenditure where the conditions met being reviewed.
			Streetlighting review (£0.230m) Current pilot is being evaluated.
			Highways Savings (0.140m) Additional In year Highways Revenue Savings
			Parking Income (£0.192m) Additional In year Parking Income
			HRA charges **(£0.430m)** HRA Reserve to Cover HRA Budgets Not Recharged Last Year and Expected not To be This Year

Quantified Opportunities	P8 £'000	P7 £'000	Details of Opportunities
Resources	(100)	(100)	**Staffing Review £0.100** Staffing review that may lead to further savings on salary costs
Assistant Chief Executive	(320)	(320)	**Public Health (£0.320m)** Ongoing Internal Review of Public Health Funding towards related expenses.
Corporate Items & Funding	(605)	(605)	**Reduced borrowing need (£0.605m)** Potential saving as a result of a review of borrowing costs to fund the capital programme.
Total Quantified Opportunities	**(5,735)**	**(4,420)**	

42

LONDON BOROUGH OF CROYDON

REPORT:	**Streets & Environment Sub-Committee**
DATE	**14 March 2023**
REPORT TITLE:	**WORK PROGRAMME 2022-23**
LEAD OFFICER:	**Tom Downs, Democratic Service and Governance Officer-Scrutiny** T:020 8726 6000 x 63779
ORIGIN OF ITEM:	The Work Programme is scheduled for consideration at every ordinary meeting of the Streets & Environment Scrutiny Sub-Committee.
BRIEF FOR THE COMMITTEE:	To consider any additions, amendments, or changes to the agreed work programme for the Committee in 2022/23.
PUBLIC/EXEMPT:	Public

1   SUMMARY

1.1   This agenda item details the Sub-Committee's work programme for the 2022/23 municipal year.

1.2   The Sub-Committee has the opportunity to discuss any amendments or additions that it wishes to make to the work programme.

1.3   The Sub-Committee is able to propose changes to its work programme, but in line with Constitution, the final decision on any changes to any of the Committee/Sub-Committee work programmes rests with the Chairs & Vice-Chairs Group, following consultation with officers.

2   RECOMMENDATIONS

The Sub-Committee is asked to:

2.1   In Note its work programme for the remainder of 2022-23, as set out in Appendix 1 of the report.

2.2   Consider whether there are any changes to the work programme that need to be reviewed.

3   WORK PROGRAMME

3.1   The work programme
The proposed work programme is attached at **Appendix 1.**

Members are asked to note that the lines of enquiry for some items have yet to be confirmed and that there are opportunities to add further items to the work programme.

3.2   Additional Scrutiny Topics
Members of the Sub-Committee are invited to suggest any other items that they consider appropriate for the Work Programme. However, due to the time limitations at Committee meetings, it is suggested that no proposed agenda contain more than two items of substantive business in order to allow effective scrutiny of items already listed.

3.3   Participation in Scrutiny
Members of the Sub-Committee are also requested to give consideration to any persons that it wishes to attend future meetings to assist in the consideration of agenda items. This may include Cabinet Members, Council or other public agency officers or representatives of relevant communities.

4   APPENDICES

4.1   Appendix 1: Work Programme 2022/23 for the Streets & Environment Scrutiny Sub-Committee.

5   BACKGROUND DOCUMENTS

5.1   None

Streets & Environment

The below table sets out the working version of the Streets, Environment & Homes Sub-Committee work programme.

Meeting Date	Item	Scope	Directorate & Lead Officer
14/03/23	Waste, Recycling and Street Cleansing Contract Specification	To receive a presentation on the Specification for re-procurement of the Waste Collection and Street Cleansing Contract, including results of resident surveys.	Sustainable Communities Regeneration & Economic Recovery Steve Iles
	Local Planning Authority Service Transformation	To scrutinise the Cabinet report covering the draft Planning Transformation Programme structure, including the programme's six workstreams, future governance and next steps. To receive a presentation on the above, the findings of the PAS review and the Council's responses to its recommendations, to allow Sub-Committee to feed into and influence the Transformation Programme.	Sustainable Communities Regeneration & Economic Recovery Nick Hibberd

Standing Items:

Work Programme Item	Notes
Financial Monitoring for SCRER	Standing Item tracking progress with the delivery of 2022/23 Budget using the latest Cabinet Financial Performance report (To review by exception).

Items of Interest

The following items haven't been scheduled into the work programme but are highlighted as potential items of interest to be scheduled during the year ahead.

Unallocated Items	Scrutiny Officer Notes
Environment Bill Responsibilities	To review the additional responsibilities that will fall upon the Council following the adoption of the Environment Bill
Biodiversity Strategy	To review the upcoming Biodiversity Strategy once written.
Implications of the Levelling Up and Regeneration Bill	To review the possible implications of the Levelling Up and Regeneration Bill
Purley Pool Options Appraisal	To look at the options that have been appraised for the reopening of Purley Pool
Graffiti Removal Service	To review the progress on the Mayor's pledge to reinstate a dedicated Graffiti Removal Service.
Review of the Waste Contract	To review the progress on the review of the Waste Contract.
Environmental Enforcement	To review the Environmental Enforcement service.
Flood Risk and Planning	To review the Council's flood planning and risk assessments
Carbon Neutral Action Plan	To review the Council's work on decarbonisation and progress towards achieving Net Zero targets.

Protection of green spaces and parks	To look at the protection of parks and green spaces in the borough, including the support fund and Council strategy.
Clean Water and Sewage (Thames Water)	To look at the water quality in the borough and the risks of contamination from sewerage.
Transport, Active Transport & School Streets	To look at the strategy for Transport, Active Transport & School Streets in the borough, alongside Road Fatalities & Speed Limits
Healthy Streets	To review the results of the feasibility studies on the latest round of Healthy Streets Emergency Traffic Orders – Spring 2023
Transformation of Independent Travel	To review the transformation of the Independent Travel Service – End of 2023/24
Review of Local Plan	To scrutinise the review of the Local Plan – 2023/24
Pre-Decision: Parking Policy Review	To conduct pre-decision scrutiny on the upcoming Cabinet report covering the Parking Policy Review - July 2023 TBC
Air Quality Action Plan	To scrutinise the Council's Air Quality Action Plan in 2024

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