

# Cabinet Agenda



To: Mayor Jason Perry (Chair)

Councillors Jeet Bains, Jason Cummings, Maria Gatland, Lynne Hale,  
Yvette Hopley, Ola Kolade, Scott Roche and Andy Stranack

A meeting of the **Cabinet** which you are hereby invited to attend, will be held  
**Wednesday, 24 April 2024 at 6.30 pm. 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

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## AGENDA

### 1. **Apologies for Absence**

### 2. **Minutes of the previous meeting (Pages 5 - 20)**

Minutes of Cabinet, 27<sup>th</sup> March 2024 for approval.

### 3. **Disclosure of Interests**

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

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

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

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

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

### 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. **Scrutiny Stage One** (Pages 21 - 26)
6. **Homelessness and Rough Sleeping Strategy 2024- 2029** (Pages 27 - 92)
7. **NEC Housing System Phase 2 Implementation** (Pages 93 - 108)
8. **Period 10 Financial Performance Report** (Pages 109 - 146)
9. **Housing Ombudsman Determinations 2023 - Report by the Monitoring Officer under section 5A of the Local Government and Housing Act 1989** (Pages 147 - 156)
10. **Exclusion of the Press and Public**

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

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

## **PART B AGENDA**

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## Cabinet

Meeting of held on Wednesday, 27 March 2024 at 6.30 pm in Council Chamber, Town Hall, Katharine Street, Croydon CR0 1NX

### MINUTES

**Present:** Mayor Jason Perry (Chair);

Lynne Hale (Deputy (Statutory) Executive Mayor and Cabinet Member for Homes (Vice-Chair)), Councillors Jeet Bains (Cabinet Member for Planning and Regeneration), Jason Cummings (Cabinet Member for Finance), Maria Gatland (Cabinet Member for Children and Young People), Yvette Hopley (Cabinet Member for Health and Adult Social Care), Ola Kolade (Cabinet Member for Community Safety), Scott Roche (Cabinet Member for Streets and Environment) and Andy Stranack (Cabinet Member for Communities and Culture)

**Also Present:** Councillors Rowenna Davis (Chair of Scrutiny and Overview Committee), Richard Chatterjee (Vice-Chair of Scrutiny and Overview), Stuart King (Leader of the Opposition), Callton Young (Deputy Leader of the Opposition and Shadow Cabinet Member for Finance), Janet Campbell (Shadow Cabinet Member for Health and Adult Social Care), Christopher Herman (Shadow Cabinet Member for Streets and Environment), and Chrishni Reshekaron (Shadow Cabinet Member for Homes)

### PART A

133/24 **Disclosure of Interests**

There were none.

134/24 **Minutes of the previous meeting**

The minutes of the Cabinet meeting held on Wednesday 14 February 2024 were agreed as an accurate record.

135/24 **Urgent Business (If any)**

There were no items of urgent business.

136/24 **Scrutiny Stage One: Recommendations arising from Scrutiny**

The Executive Mayor introduced both the Stage 1 and Stage 2 Scrutiny reports – Recommendations and Responses to Recommendations. Both reports were taken together.

The Chair of Scrutiny and Overview Committee, Councillor Rowenna Davis, shared with Cabinet that:

- The Scrutiny and Overview Committee (the Committee) noted the positive response to several of the recommendations. In particular, future consultations on the budget will receive an independent review prior to publication.
- Councillors will be invited to join walkabouts with officers to check that fly tipping and graffiti are removed quickly and to a sufficient standard in their wards. The Committee noted that sight visits began in January 2024.
- Regarding crime and disorder in the borough, the Committee noted that Croydon's crime rate is below the London average but suffers disproportionately from some types of crimes, notably youth on youth.
- The Committee noted that police who attended the Committee on 26 March emphasised initiatives being taken to lower the crime rate amongst young people including patrols at schools opening and closing times, and 22 officers working full time in schools across the borough to build strong and trusted relationships with teachers and students.
- The Committee look forward to hearing how many new mentors has been created and what the plans are for fulfilling the Manifesto pledge at the Children's scrutiny sub-committee.
- Concluding on the topic of violence against women and girls, Councillor Davies commended all those committed to producing, enriching and shaping the strategy to tackle this issue. including those who participated and contributed to the new VAWG Strategy with three dedicated events. The Committee look forward to the final VAWG Strategy and crucially the impact on protecting women and girls in the borough.

The Cabinet Member for Community Safety, Councillor Ola Kolade also took the opportunity to thank the partners, Chair and Committee, and officers who contributed to the comprehensive meeting of the night prior.

The Executive Mayor in Cabinet **RESOLVED**: To

- 1.1 Receive the recommendations arising from the meetings of the Homes Sub - Committee held on 23 October 2023 (Appendix 1)

and the Scrutiny & Overview Committee held on 16 January 2024.

- 1.2 To provide a substantive response to the recommendation (a Scrutiny Stage 2 Report) at the Cabinet meeting on 15 May 2024.

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## **Scrutiny Stage Two: Responses to Recommendations**

### **Executive Mayor in Cabinet RESOLVED: To**

- 2.1.1 Approve the responses and action plans attached to this report as Appendices 1, 2, 3, 4 & 5; and
- 2.1.2 Delegate authority to the officers identified in Appendices 1, 2, 3, 4 & 5 to report back to the Scrutiny and Overview Committee, or relevant Sub-Committee, within the periods specified in the agreed responses and action plans, and on progress made in implementing any action plan.

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## **Future Croydon - the Transformation Plan 2024 - 2029**

The Executive Mayor introduced the Transformation Plan 2024-2029 which outlines how the plan will be achieved, transforming and modernising council services.

The Deputy Mayor and Cabinet Member for Homes, Councillor Lynne Hale shared with Cabinet that the Transformation Plan 2024 - 2029 was a welcome plan that builds on the foundations of the significant improvement work already undertaken. The proposals mark a pivoting point for Croydon with its radical customer focused plans which will maximise the use of technology and put residents first, always mindful of accessibility. It will be achieved by working together, with staff and our partners in the voluntary, business and statutory sectors to develop new ways of working and ensuring residents are heard.

The Cabinet Member for Finance, Councillor Jason Cummings informed Cabinet that the strategy intends to make Croydon the most efficient borough in London and fully expects to see other councils following Croydon's lead. Further, only a complete transformation of how the council operates will allow the challenges ahead to be met. Steps will be taken to ensure technological advancements will be accessible, simple, easy and convenient to all residents. The Director of Transformation, Sharon Godman was welcomed to the team.

The Corporate Director of Sustainable Communities, Regeneration & Economic Recovery, Nick Hibberd added that the corporate management

team were focused and committed to supporting the delivery of the plan, working with communities and partners to ensure all of the funding works.

The Chief Executive Officer, Katherine Kerswell noted all seven Corporate Directors were cited in the report to signal the commitment and plan provided firm foundations in moving the council forward. The staff response to the plan was positive, and CE paid tribute to all who had been involved with informing the plan citing that it is an exciting moment.

The Leader of the Opposition, Councillor Stuart King welcomed and acknowledged the significance of the plan. However, it was noted that it was not a Council Plan that elected members could engage in but that of the Executive Mayor - as not part of the Council's Budgetary & Policy Framework. Further, in regard to recommendation 2:1 a request was made to consider a formal reporting regime of every three months to cabinet rather than every six months for the next 12 months or for as long as the period that the panel remain in Croydon in order to give all Members a transparent and visible opportunity to engage with the programme.

The Executive Mayor responded that the reporting process and recommendation would be reviewed to see whether it should come back more often and changed to "Subject to Review".

The Cabinet Member for Finance, Councillor Cummings interjected that a significant number of the elements of the Transformation Plan would come through the Cabinet process individually and, as the Executive Mayor has provided a commitment to review it over all suggested elements could be labelled within the agenda to be clearer as to what is being updated.

The Shadow Cabinet Member for Finance, Councillor Callton Young, stated that he was keen to see a more detailed plan that fleshed out some of the high level ideas and concurred with the comments made by Councillor King. Councillor Callton Young, asked how much confidence could be placed in the figures provided at this stage.

The Executive Mayor responded that the document was succinct and makes the direction of travel clear. The savings were built within the MTFS and will flex during the process.

Councillor Cummings confirmed that the document was an overview of the Transformation Plan. In terms of the figures, it was confirmed that they will vary but the total will add up even if individual elements change.

The Executive Mayor concluded that a reporting cycle would be clarified.

The Executive Mayor in Cabinet amended the report recommendations and



**RESOLVED to:**

- 2.1 Approve the “Future Croydon” - the Transformation Plan 2024–2029, and agreed that the reporting cycle was to be clarified at a future Cabinet meeting.
- 2.2 Approve the update to the existing transformation plan, previously agreed at Cabinet in November 2022, renamed the Council Improvement Programme 2022 – 2027.

139/24

**Partial Local Plan Review**

The Executive Mayor introduced the revised Partial Local Plan review which removes the excesses of the past and prioritises design, character over density, includes new policies for HMO's, respects local character and protects green spaces.

The Cabinet Member for Planning and Regeneration, Councillor Jeet Bains, informed Cabinet that the consultation will commence in May and will be conducted for not less than six weeks.

- It will be limited to the national test of soundness against which the Local Plan will be assessed by the Secretary of State appointed examiner.
- Everyone is encouraged to engage with the consultation.
- The Local Plan will be presented to Council in April to seek approval to be submitted to the Secretary of State for examination by a Secretary of State Planning Officer.
- Representations received during the consultation will be considered by the planning inspector at the examination.

The Shadow Cabinet Member for Planning and Regeneration. Councillor Chris Clark, felt that the statement on page 49 under the heading 4.4 Affordable Homes was although accurate, unduly pessimistic. Alternative wording was proposed for a sentence to be added before the draft plan is submitted to the Secretary of State.

The Executive Mayor noted that there had been plenty of opportunity prior to the meeting for discussion, suggestions and amendments to be made and taken on board. Stating that it is not appropriate to simply adopt a statement at a Cabinet meeting, there would need to be time to review the suggestion in context of the recommendations within the document.

The Head of Spatial Planning, Steve Dennington conferred with Nick Hibbard.

After conferring with the Monitoring Officer, Stephen Lawrence-Orumwense the Executive Mayor confirmed that 2.3 of the recommendation would allow delegation for minor changes prior to

publication. Councillor Clark was asked to submit his request via email for review (ideally that night) and advised that if there were any further issues they should be included in the one email. Earlier sentiment in regard to plenty of opportunity were reiterated.

Corporate Director, Nick Hibberd added that in respect of the request made, consideration would need to be given if an amendment to the actual Local Plan needed to be made, or could be taken forward separately.

The Executive Mayor in Cabinet **RESOLVED**:

- 2.1 to agree the publication of the Proposed Submission draft of the Croydon Local Plan review (Appendix 1), its associated additional Sustainability Appraisals (Appendix 2) and updated additional supporting evidence for six weeks for representations to be made upon it, in accordance with Regulation 19 of the Town and Country Planning (Local Planning) (England) Regulations 2012;
- 2.2 to agree that the Proposed Submission draft of the Croydon Local Plan review be recommended to Full Council for submission to the Secretary of State upon expiry of the statutory 6-week publication period including, if applicable, any minor changes arising from any representations received in accordance with Regulation 19 of the Town and Country (Local Planning) (England) Regulations 2012;
- 2.3 delegate minor and/or factual changes to the Proposed Submission draft of the Croydon Local Plan review including the Policies Maps, prior to publication to the Director of Planning and Sustainable Regeneration in consultation with the Executive Mayor and Cabinet Member for Planning and Regeneration.
- 2.4 delegate to the Corporate Director for Sustainable Communities, Regeneration and Economic Recovery, in consultation with the Executive Mayor and Cabinet Member for Planning and Regeneration, the publication of draft Supplementary Planning Documents.
- 2.5 delegate to the Corporate Director for Sustainable Communities, Regeneration and Economic Recovery, in consultation with the Executive Mayor and Cabinet Member for Planning and Regeneration, the publication of draft Community Infrastructure Levy Charging Schedule: and

- 2.6 delegate to the Corporate Director for Sustainable Communities, Regeneration and Economic Recovery, in consultation with the Executive Mayor and Cabinet Member for Planning and Regeneration, the publication of the Council's Authority's Monitoring Reports and Infrastructure Funding Statements.

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### **Proposed Parking Charge Amendments 2024/2025**

The Executive Mayor introduced the Proposed Parking Charge Amendments 2024/2025 highlighting additional benefits of the new parking policy for a fairer, simpler and consistent approach across the borough prior to a three week public consultation.

The Cabinet Member for Streets and Environment, Councillor Scott Roche, expanded on the benefits of the amendments for Cabinet, further highlighting on and off-street parking and other changes such as resident permits, emission-based discounts and an increase in free parking allocations to an hour for the benefit of shoppers and businesses. There will be a 21day statutory TOR consultation process prior to implementing the changes. The proposals support delivery of the additional income that was agreed in the MTF budget.

The Shadow Cabinet Member for Streets and Environment, Councillor Christopher Herman requested an outline of the improvements residents will see to their parking services.

The Executive Mayor responded that improvements had been outlined in his opening statement reiterating that the key improvement relates to free parking which would allow shoppers to stay longer in district centres helping local trading which is a key addition to parking services in Croydon. There are a number of initiatives to improve the parking conditions and most importantly support local traders. The Cabinet Member for Finance, Councillor Cummings added that Croydon must adapt to the number of vehicles that sit in the 90% category. The category for the most polluting vehicles were not changing as those vehicles often belong to those who do not have the financial resources to purchase expensive electric cars. The proposals are an update in line with technological advances focused on those who have the resources.

The Executive Mayor in Cabinet **RESOLVED:**

- 2.1 For the reasons set out in the report and appendices, the Executive Mayor in Cabinet is recommended to:
- 2.2 Authorise officers to undertake statutory consultation on the proposed parking charges which include:

- 2.2.1 To increase and retain the 1 hour free parking bays in district and local centres.
- 2.2.2 To introduce a new 2 hour maximum stay for all 1 hour free parking bays with a nominal charge for customers that require longer parking.
- 2.2.3 To increase to 1 hour the current 30 minute free parking arrangement in South End and Selsdon Road, South Croydon and London Road, West Croydon with new reduced fees for parking up to 2 hours so that all 1 hour free areas are consistent.
- 2.2.4 For Central Parade Car Park, to extend the 30 minute free parking arrangement to 1 hour, matching the existing free parking arrangement in the Central Parade service road.
- 2.2.5 To introduce a flat rate charge for on-street 12 hour maximum stay bays for parking events of more than 8 hours, reducing the current rates for long term parking.
- 2.2.6 Reduction in the parking charges for West Croydon Station Car Park so that the charges of Town Centre Car Parks are consistent.
- 2.2.7 New charges for parking permits as set out in Appendix A, with no increase in the resident permit charge for the highest band 5 charges, and increasing the charges for other bands, together with an adjustment of emission bandings, recognising the improved efficiency of vehicles. Page 1002
- 2.2.8 New On-street and Off-street (car parks) parking charges as set out in Appendix B and C, with an adjustment to the emissions bandings to reflect the improved efficiency of vehicles:
- **Band 1** – emission vehicles (Electric Vehicles) – reduced discount from 90% to 25%
  - **Band 2** – emission vehicles – reduced discount from 25% to 15% and amending the band from 1 to 185 grams/km CO<sub>2</sub> to 1 to 138 grams/km CO<sub>2</sub>.
  - **Band 3** – emission vehicles – no increase in the existing band 3 tariff and adjusting the band so that it commences for vehicles emitting more than 138 grams/km CO<sub>2</sub> in place of the current 185 grams/km.
- 2.2.9 Increase in operational hours in district centre car parks from 7am to 6pm, Monday to Saturday to a 24 hour operation (Monday to Saturday) with a nominal flat fee (£2.20 for

band 3 with 25% and 15% discounts for band 1 and 2 respectively) for parking between 6pm and 7am.

2.2.10 Standardise the no-return period for on-street parking from 1 to 2 hours for all payment bays

2.2.11 Review of the permit charges for Housing residents and contractors.

2.3 Delegate authority to the Corporate Director of Sustainable Communities, Regeneration and Economic Recovery, in consultation with the Executive Mayor and Cabinet Member for Streets and Environment, to give public statutory notice of the above proposals and subject to receiving no objections, make the necessary Traffic Management Orders under the Road Traffic Regulation Act 1984 (as amended).

2.4 In the event that objections are received, delegate authority to the Corporate Director of Sustainable Communities, Regeneration and Economic Recovery in consultation with the Executive Mayor and Cabinet Member for Streets and Environment to consider the outcome of the consultation and determine whether Traffic Management Order/s under the Road Traffic Regulation Act 1984 (as amended) should be introduced.

2.5 Note that the proposals will be reported to the Scrutiny Streets and Environment Sub-Committee, this proposed to be at its upcoming meeting on 2 April 2024.

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### **Update on the Housing Transformation Programme**

The Executive Mayor introduced the report which provides an update on the Housing Transformation Programme following the last update to Cabinet in October 2023.

The Deputy Mayor and Cabinet Member for Homes, Councillor Lynne Hale, shared with Cabinet that there had been a number of significant achievements since the last update in October 2023 noting the completion of some projects and the addition of others. Most notably the acceptance by the regulator of social housing of the voluntary undertaking and the substantial award of government funding through the GLA grant for the Regina Road regeneration project. Whilst there is still much work to do those involved remain committed to driving the improvements through, across the three – five-year programme.

The Shadow Cabinet Member for Homes, Councillor Chrishni Reshekaron, noted that it was great to see that Croydon Council has volunteered as one of the Landlords to support the “Stop Social Housing Stigma” campaign and asked what actions we're going to be taken once a

response was received from SSHs to ensure that councillors are engaged, support and help the pilot scheme

The Housing Transformation Lead, Lara Ashley responded that there had been missed opportunities, and upcoming activities communicated better. Going forward the team are committed to thoroughly engaging more effectively including with Councillors to encourage more engagement in their areas as the aim is to have as much resident engagement as possible.

The Executive Mayor responded that clearly there should be no stigma around social housing. It is a key priority of this administration to restore social housing to what it should be. Social tenants should receive the same service as anyone else and not be based on their housing tenure.

The Executive Mayor in Cabinet **RESOLVED** to:

- 2.1 Note the progress since October 2023 on the Housing Transformation Programme which includes the Voluntary Undertaken given to and accepted by the Regulator of Social Housing (“the Regulator”) which is attached at Appendix A.

142/24

### **Period 9 Financial Performance 2023/24**

The Executive Mayor introduced the Period 9 Financial Performance 2023/24 report which provides the Council’s financial performance as at Period 9 (December 2023) for the General Fund, Housing Revenue Account (HRA) and the Capital Programme.

The Cabinet Member for Finance, Councillor Jason Cummings, shared with Cabinet that there had been a small improvement in the Council’s overall forecast position for year end. The pressures the council are under and indeed all councils in terms of housing costs and children’s & adults remain but was pleased to see no new movement within the report which will continue to be monitored as year-end approaches.

Corporate Director of Resources & S151 Officer, Jane West added that although balanced it was with the use of the £63 million of capitalisation directions.

The Shadow Cabinet Member for Finance, Councillor Callton Young, asked for an explanation for the £8,000,000 gap in savings via placements and care packages through demands management. Further, were there any risks associated with the long standing staffing shortages referred to in the report.

The Cabinet Member for Finance, Councillor Jason Cummings responded that the adult savings were covered extensively at Overview and Scrutiny as part of the Financial Monitoring report. Individual figures based within

the reporting pack refer to individual elements of those savings. Around 89% of the overall savings figure is being achieved and takes full account of any potential savings that may not be achieved during the year. Adult and Social Care are meeting and so far this year exceeding their savings target. In regard to staff vacancies, it's not a case of large numbers of vacancies being kept opened to achieve savings it is just the normal operation of the council, and all other councils.

Corporate Director of Resources & S151 Officer, Jane West drew attention to the table within the achievement of savings at paragraph 4.102 which showed that adult social care had an over delivery off the savings so are ahead of themselves in terms of preparing for next year.

**Table showing 2023-24 forecast savings achievement by directorate**

2023-24						
Savings target	Slippage from previous year	Revised Savings target	Forecast savings achievable	Savings slippage	Not yet evidenced or (over delivery)	
£'000	£'000	£'000	£'000	£'000		
<b>Directorate</b>						
Adult Social Care & Health	12,243	-	12,243	13,190	-	(947)
Assistant Chief Executive	2,924	-	2,924	2,271	653	-
Children, Young People & Education	6,920	490	7,410	5,148	-	2,262
Housing	2,305	-	2,305	1,309	1,099	(103)
Resources	6,347	-	6,347	6,347	-	-
Sustainable Communities (SCRER)	1,859	2,490	4,349	4,124	225	-
Cross-Directorate / Corporate	500	-	500	-	500	-
<b>Total</b>	<b>33,098</b>	<b>2,980</b>	<b>36,078</b>	<b>32,389</b>	<b>2,477</b>	<b>1,212</b>

The Executive Mayor in Cabinet **RESOLVED**:

- 2.1 to note the General Fund revenue budget outturn is forecast to underspend by £1.5m at Period 9, after the budgeted utilisation of £63m capitalisation directions requested from DLUHC.
- 2.2 to note the progress in Medium Term Financial Strategy (MTFS) savings achievement of £32.4m (89.8%) against the total savings target of £36.1m as set out in paragraph 4.102.
- 2.3 to note the work that has commenced on the Council's Transformation Programme as set out from paragraph 4.97.
- 2.4 to note the Housing Revenue Account (HRA) revenue budget outturn is forecast to overspend by £12.0m.

- 2.5 to note the General Fund capital programme 2023-24 forecast underspend of £20.0m against the revised capital budget of £124.0m. The 2023-24 General Fund capital budget has been updated to reflect the changes agreed through the Capital Programme and Capital Strategy 2023-29 report at the Cabinet meeting on 14 February 2024.
- 2.6 to note the HRA capital programme 2023-24 forecast overspend of £1.8m against the revised capital budget of £37.2m. The 2023-24 HRA capital budget has been updated to reflect the changes agreed through the Capital Programme and Capital Strategy 2023-29 report at the Cabinet meeting on 14 February 2024.
- 2.7 to approve within the multi-year HRA capital budget the re-profiling of £2.071m budget from 2024-25 to 2023-24. This is to align the budget with the acquisition of the Belgrave and Grosvenor site and freehold of the previous Printworks site on Portland Place from Brick By Brick in March 2024, as set out from paragraph 4.141.
- 2.8 to note the Council's historic borrowing and subsequent debt burden continues to be critical to the non-sustainability of the Council's revenue budget. Dialogue with the Department for Levelling Up, Housing and Communities (DLUHC) continues, and the Council is seeking further financial support from Government in regard to its level of structural indebtedness to ensure it can deliver sustainable local government services.

143/24

### **Procurement Pipeline**

The Executive Mayor introduced the Procurement Pipeline highlighting the headlines which enhance strategic planning, improve resource allocation, and streamline procurement processes.

The Cabinet Member for Finance, Councillor Jason Cummings, shared with Cabinet that overall the proposed changes were positive and would help the market in terms of procurement and future contracts which in turn should help the local voluntary sector with visibility whilst also increasing the Council's visibility in terms of what is going forward, and performance; ensuring that those procurements are done correctly and timely.

The Shadow Cabinet Member for Finance, Councillor Callton Young, welcomed the report with its full disclosure of the council's procurement pipeline and asked if any work had been done in the past year to assess cumulative savings that can be achieved through contracts, and if so, what level of savings had been shown.

The Cabinet Member for Finance, Councillor Jason Cummings, responded that there is not an overall figure for contracts across the



council, each department manages their own which is then scrutinised within the budget settings and savings proposals. Once the budget setting process is complete a figure can be put together on how much of the savings relate to contract savings as it would be interesting to see the overall figure.

The Executive Mayor in Cabinet **RESOLVED**:

- 2.1 to approve the 18-month Procurement Pipeline as set out in Appendix A.
- 2.2 to approve the delegated decisions over £500,000 in value within the Procurement Pipeline to those Lead Members or Officers as stated in Appendix A, that includes the procurement strategy and award decisions, the duration of the contracts and contract values.
- 2.3 that delegated decisions shall only be exercised following recommendations from the Contracts & Commissioning Board, which include approval from both the Lead Cabinet Member and the Cabinet Member for Finance.
- 2.4 to allow for minor changes to proceed whilst retaining the agreed delegation so long as none of the following thresholds for changes are exceeded:
  - i. Contract value exceeds that proposed in the Procurement Pipeline, by the lesser of £500K or 25%, or the new aggregate value exceeds £1m and it becomes a key decision
  - ii. Substantial / material changes to procurement from that defined in the Procurement Pipeline e.g. material risks are identified

(Should either of those thresholds be exceeded, the delegation cannot be exercised, and the decision shall be recommended to the Executive Mayor, unless a further delegation is approved. Where a delegated decision is a Key Decision to Officers, it must be made in consultation with the Lead Cabinet Member).
- 2.5 to note the improvements to the pipeline format as set out in section 4.4 of the report.

144/24

### **Oracle Improvement Programme Business Case**

The Executive Mayor introduced the Oracle Improvement Programme Business Case which outlines the rationale for investing £3.922 million in the Oracle improvement programme to ensure that all areas of the council are using the system to full effect.

The Cabinet Member for Finance, Councillor Jason Cummings, shared with Cabinet that the programme was a useful case in point on the council

journey. The system was there but not being utilised properly. The intention is to use Oracle correctly with a full implementation used to its full extent which will improve data and consistency. A single system which allows for accurate figures, and as such very much look forward to seeing the results.

Corporate Director of Resources & S151 Officer, Jane West added that Croydon was working with other boroughs across London, 12 in total as Oracle is the standard, which has allowed for a cut and paste of a lot of the improvements, leveraging support from other boroughs and taking on board their learning rather than working in silo.

The Shadow Cabinet Member for Finance, Councillor Callton Young, questioned the fact that there with no financial values placed on the efficiency gains that should arise from the £3.922 million investment, and whether that was a weakness in the business case and the Council's future ability to measure success and demonstrate value for money. Also, it was noted that at paragraph 4.17 the Oracle work will not cover the pipeline management, e-tendering and contract management requirements, that it will remain with the existing system (In-tend). So, are the costs of that work included in the existing £30,000 as shown in the contract register or will the council have to pay more supported by a new business case for that work.

The Cabinet Member for Finance, Councillor Jason Cummings, responded that there is not a figure attached to the £3.9 million but it is going to generate savings and those savings will be attributed to the approved efficiency overtime.

Corporate Director of Resources & S151 Officer, Jane West added that the programme fits with the transformation plan discussed earlier. Savings were already expected in future from the areas of finance and procurement, but the main savings were expected to be across the whole organisation. Understanding where those savings fall will be clearer as the project is worked through.

The Executive Mayor in Cabinet **RESOLVED** to:

- 2.1 Approve the Oracle Improvement Programme Business Case attached as appendix A.
- 2.2 Approve the addition to the capital programme of the budget requested of £3.922m funded through earmarked reserves.
- 2.3 Note that the HR business case will be subject to a separate report to Cabinet in June.

The Executive Mayor introduced the Local Government & Social Care Ombudsman Decision Finding of Fault Causing Injustice and Action Plan to Prevent Reoccurrence which outlines the findings and recommendations of the local government and social care ombudsman.

The Cabinet Member for Children and Young People, Councillor Maria Gatland, shared with Cabinet that the Children's Services department fully accept the findings of the ombudsman and the recommendations that flow from those findings. The Cabinet Member gave her sincere apologies for the problems that had occurred on behalf of the council to those effected (offered her apologies to child B and Miss M for errors) made by the service. It was noted that reassurance has been sought from the Director of Education that lessons have been learnt, that the policy is understood by officers, and that there will be senior management oversight of the delivery of the plan that is now in place.

The Corporate Director for Children, Young People and Education, Debbie Jones reiterated the apology that had just been given and assured Cabinet that measures are in place and are being closely monitored.

The Shadow Cabinet Member for Children and Young People, Councillor Amy Foster, had a question relating to the Report and asked if the recommendations had been acted upon and were there still core issues outstanding.

The Corporate Director for Children, Young People and Education, Debbie Jones responded by reassuring Cabinet that the actions had been followed up in relation to 2021 and more recently. No further safeguarding issues have been reported and as this a reoccurrence the department are being robust and welcome any scrutiny.

The Executive Mayor expressed his sincere apologies on behalf of the Cabinet to the family concerned.

The Executive Mayor in Cabinet **RESOLVED:**

- 2.1 Note the LGSCO findings and recommendations in respect of Child B in Appendix 1.
- 2.2 Endorse the Action Plan in response to the recommendations including the measures already in place as set out in Appendix 2.
- 2.3 Adopt the report as the Executive's formal response as required by section 5A of the Local Government and Housing Act 1989 for distribution to all members and the Monitoring Office

The meeting ended at 7.56 pm

# Agenda Item 5

## LONDON BOROUGH OF CROYDON

<b>REPORT:</b>	<b>CABINET</b>	
<b>DATE</b>	<b>24 April 2024</b>	
<b>REPORT TITLE:</b>	<b>STAGE 1 RECOMMENDATIONS ARISING FROM SCRUTINY</b>	
<b>LEAD OFFICER:</b>	<b>Jane West, Corporate Director for Resources</b>  <b>Adrian May, Interim Head of Democratic Services</b> <b>T: 020 8726 6000 X 62529. Email:</b> <b><a href="mailto:adrian.may@croydon.gov.uk">adrian.may@croydon.gov.uk</a></b>	
<b>LEAD MEMBER:</b>	<b>Councillor Rowenna Davis</b>  <b>Chair, Scrutiny and Overview Committee</b>	
<b>AUTHORITY TO TAKE DECISION:</b>	Recommendations that have been developed from the Scrutiny and Overview Committee and its Sub-Committees since the last Cabinet meeting are provided in the appendices to this report. The constitution requires that an interim or full response is provided within 2 months of this Cabinet meeting.	
<b>KEY DECISION?</b>	<b>No</b>	N/A
<b>CONTAINS EXEMPT INFORMATION?</b>	<b>No</b>	Public
<b>WARDS AFFECTED:</b>	All	

### 1. SUMMARY OF REPORT

- 1.1 This report presents recommendations to the Executive from Scrutiny following meeting of the Streets & Environment Sub-Committee held on 30 January 2024.

### 2. RECOMMENDATIONS

- 2.1 The Executive Mayor has the power to make the decisions set out in the recommendations contained within this report. The Executive Mayor in Cabinet is asked to:
1. Receive the recommendation arising from the meeting of the Streets & Environment Sub-Committee held on 30 January 2024 (Appendix 1).
- 2.2 To provide a substantive response to the recommendation (a Scrutiny Stage 2 Report) at the Cabinet meeting on 26 June 2024.

### 3. REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

- 3.1 Part 4E of the Council's Constitution: Scrutiny and Overview Procedure Rules (paragraphs 8.5 – 8.7) and Section 9FE of the Local Government Act 2000 require the executive to consider and respond to a Scrutiny and Overview report within 2

months beginning with the date on which the executive receive the report or recommendation.

## 4 BACKGROUND AND DETAILS

### ***Streets & Environment Sub-Committee***

*Item: Local Development Scheme Projects and Infrastructure Funding Statement Update (not including the Local Plan Review)*

- 4.1 From its consideration of the report, the Sub-Committee acknowledged that the Community Infrastructure Levy (CIL) charging schedule and Infrastructure Funding Statement (IFS) were both published on the Council website, but encouraged officers to think about additional ways to communicate with Members and residents about where and how CIL was being spent.

## 5 ALTERNATIVE OPTIONS CONSIDERED

- 5.1 Scrutiny meetings do not necessarily result in any recommendations to the executive.

## 6 CONSULTATION / PRE-DECISION SCRUTINY

- 6.1 The recommendations were developed from the deliberations of either the Scrutiny & Overview Committee or one of its Sub-Committees.

## 7 CONTRIBUTION TO EXECUTIVE MAYOR'S BUSINESS PLAN

- 7.1 **Outcome 1:** The Council balances its books, listens to residents and delivers good sustainable services:

**Priority 4:** Ensure good governance is embedded and adopt best practice. The Council must learn the lessons of past failures and embed sound governance processes to ensure that decision-making is transparent, open and honest. These must ensure effective control of our projects and programmes and encourage meaningful scrutiny and challenge.

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

**Priority 1:** Make our streets and open spaces cleaner so that Croydon is a place that residents and businesses can feel proud to call home. Residents expect and deserve to feel proud of our borough as they walk down the street. That means working with them and partners to look after our streets, parks and open spaces, and crack down on the graffiti and litter which blight our communities.

**Priority 4:** 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.

## **8 IMPLICATIONS**

### **8.1 FINANCIAL IMPLICATIONS**

- 8.1.1** The Scrutiny recommendations to the Executive may have financial implications. Following the recommendations being received at Cabinet, the Executive will identify and consider any financial implications as part of their response.
- 8.1.2** If any recommendation is subsequently progressed for consideration and decision by the Executive Mayor in Cabinet, full financial (as well as legal and equalities implications) would be presented.

Comments approved by Allister Bannin, Director of Finance (Deputy s151), 15/04/24.

### **8.2 LEGAL IMPLICATIONS**

- 8.2.1** Under Section 9F Local Government Act 2000 (“The Act”), Scrutiny and Overview Committee (SOC) have the powers to review or scrutinise decisions made, or other action taken in connection with the discharge of any executive and non-executive functions and to make reports or recommendations to the executive or to the authority with respect to the discharge of those functions. SOC also has the power to make reports or recommendations to the executive or to the authority on matters, which affect the authority’s area or the inhabitants of its area.
- 8.2.2** Under Section 9FE of the Act, there is a duty on Cabinet to respond to the scrutiny report, indicating what (if any) action Cabinet proposes to take, within 2 months of receiving the report and recommendations.
- 8.2.3** Approved by: Sandra Herbert, Head of Litigation & Corporate Law, on behalf of the Director of Legal Services and Monitoring Officer (21/02/2024).

### **8.3 EQUALITIES IMPLICATIONS**

- 8.3.1** The Council has a statutory duty, when exercising its functions, to comply with the Public Sector Equality Duty (PSED) as set out in Section 149 of the Equality Act 2010. The Council must in the performance of its functions, therefore, have due regard to:
- i. eliminate discrimination, harassment, victimisation, and any other conduct that is prohibited by or under this Act.
  - ii. advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it.
  - iii. foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- 8.3.2** Where acting upon recommendations from Scrutiny (noted in the appendices to this report) will have an impact on the Council’s undertaking of the PSED, Equality Impact Assessments (EQIAs) should be undertaken or updated as required for the substantive policy, decision or proposals to which the recommendations refer.

**8.3.3** Approved by: Helen Reeves, Head of Strategy and Policy, 19/02/2024

## **8.4 DATA PROTECTION IMPLICATIONS**

### **8.4.1 WILL THE SUBJECT OF THE REPORT INVOLVE THE PROCESSING OF 'PERSONAL DATA'?**

There are no Data Protection implications at this stage, but that the situation will be reviewed again at Stage 2 when Cabinet provide their response to the proposed recommendations.

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

**NO**

## **9 APPENDICES**

**Appendix 1** – Scrutiny Stage 1: Recommendations from Streets & Environment Sub-Committee – 30 January 2024

## **10 BACKGROUND DOCUMENTS**

Meeting of the Streets & Environment Sub-Committee on 30 January 2024

<https://democracy.croydon.gov.uk/ieListDocuments.aspx?CIId=170&MIId=3508>



## Appendix 1 – Recommendations arising from Streets & Environment Sub-Committee, 30 January 2024

Item: Local Development Scheme Projects and Infrastructure Funding Statement Update (not including the Local Plan Review)

Recommendation Number	Recommendation	Political Lead	Officer Lead
SE.17.23/24	The Sub-Committee recommended that the Council consider ways to engage residents to determine their views on where they would like to see Community Infrastructure Levy (CIL) spent in the borough, and for stronger communication with residents around CIL schemes such as the 'On Street Secure Cycle Hangers'.	Cllr Jeet Bains	Heather Cheesbrough

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## LONDON BOROUGH OF CROYDON

<b>REPORT:</b>	<b>CABINET</b>	
<b>DATE OF DECISION</b>	<b>24<sup>th</sup> April 2024</b>	
<b>REPORT TITLE:</b>	<b>Homelessness &amp; Rough Sleeping Strategy 2024-2029</b>	
<b>CORPORATE DIRECTOR</b>	<b>Susmita Sen Corporate Director of Housing</b>	
<b>LEAD OFFICER:</b>	<b>Beatrice Cingtho-Taylor, Director of Housing, Homelessness Prevention and Accommodation</b>	
<b>LEAD MEMBER:</b>	<b>Councillor Lynne Hale, Cabinet Member for Homes and Deputy Mayor</b>	
<b>KEY DECISION?</b>	<b>Yes</b>	Number: 0324H  <b>REASON</b> Key Decision – Decision significantly impacts on communities living or working in an area comprising two or more Wards
<b>WARDS AFFECTED:</b>	<b>All</b>	

### 1 SUMMARY OF REPORT

- 1.1 This report introduces the Homelessness and Rough Sleeping Strategy 2024-2029 to Cabinet for agreement and onward recommendation to Full Council for approval. As well as setting out the statutory requirement to produce a 5-year plan, the report sets out the methodology used in its development as well as setting out a summary report of the process used to consult residents and partners and achieve a consensus for the key themes identified in the strategy's priorities.

### 2 RECOMMENDATIONS

Having considered the evidence, the outcome of the consultation and the requirements of the Council's Public Sector Equality Duty for the reasons set out in the report and appendices, the Executive Mayor in Cabinet is recommended to:

- 2.1 Consider and Agree;
- 2.1.1 the Homelessness and Rough Sleeping Strategy 2024- 2029 as detailed in Appendix A;
  - 2.12 the Homelessness and Rough Sleeping Strategy Summary Review detailed in Appendix B; and

- 2.1.3 the Summary Homelessness and Rough Sleeping Consultation Report detailed in Appendix C
- 2.2** Delegate authority to the Corporate Director of Housing to make minor amendments to the Strategy in consultation with the Executive Mayor and Cabinet Member for Homes following agreement by the Executive Mayor but prior to its recommendation and adoption by Full Council.
- 2.3** For the reasons set out above **RECOMMEND TO FULL COUNCIL** the adoption of:
- 2.3.1 the Homelessness and Rough Sleeping Strategy 2024-2029 as set out in Appendix A;
- 2.3.2 the Homelessness and Rough Sleeping Strategy Summary Review in Appendix B; and
- 2.3.3 the Homelessness and Rough Sleeping Consultation Report in Appendix C.

### **3 REASONS FOR RECOMMENDATION**

- 3.1 Under the Homelessness Act 2002 all local authorities are required to produce a Homelessness Strategy every five years. From 2018, the Government extended this and included a responsibility for Council's to consider Rough Sleeping as a part of the overall strategic objectives. Croydon last produced a Homelessness and Rough Sleeping Strategy between 2019-22 (please see 4.8.3).
- 3.2 Together with the Housing Transformation programme agreed at Cabinet in December 2022, it sets out the pathway as to how the Council will improve its Homelessness and Rough Sleeping services and produce better outcomes for Croydon residents at risk of being made homeless or homeless.
- 3.3 With a number of other strategies such as Resident Engagement and Asset Management, the Homelessness Strategy 'sits under' Croydon's five-year Housing Strategy agreed at Full Council in December 2023.
- 3.4 The Mayors Business Plan sets the overall direction of the Council, and the Homelessness and Rough Sleeping Strategy will link into the following core objectives:  
*Outcome 4, Priority 3 of the Mayor's Plan*
- Prevent homelessness by providing advice, guidance, and appropriate support.
  - Review procurement of nightly paid temporary accommodation for homeless people to obtain Value for Money
- 3.5 To achieve the above Mayoral target, a review of the Housing Needs and Homelessness service is being carried out to enable the Council to deliver a more responsive homelessness service.

- 3.6 The contraventions of the Regulator of Social Housing Standards as reported in the Ark Report has highlighted the importance of improving all housing-related services provided to Croydon residents. The Council has acknowledged that improvements are needed within the Housing Needs & Homelessness Service and the Strategy sets out the objectives.

## **4 BACKGROUND AND DETAIL**

### **Drivers for developing the Homelessness and Rough Sleeping Strategy 2024-2029.**

- 4.1 As outlined above under the Homelessness Act 2002 (and Homelessness Reduction Act 2017), the Council has a statutory duty to produce a Homelessness and Rough Sleeping strategy for the borough. In the short term, London Councils are experiencing a significant rise in homelessness with Croydon now having over 3,000 households in temporary accommodation. Combined with escalating numbers of those who are rough sleeping, the need for a joined-up approach with Voluntary and Statutory Sector partners to reduce these pressures is essential. In the longer term, in a Borough with one of the youngest populations of under 19-year-olds in London combined with a projected 58% rise in over 65's means a planned approach working with housing association partners is needed to prepare for the increased demand for general needs stock and elderly accommodation that this will entail.
- 4.2 The Executive Mayor's Business Plan (see 3.4) has identified the prevention of homelessness as a priority and the strategy sets out the Executive Mayor's intent to improve the Council's services to those in housing need.
- 4.3 The Council accepts concerns raised by residents about the quality of its housing services. The need for improvement has led to the re-organisation of the Housing Needs & Homelessness Service to create a structure which is better able to respond to and prevent the causes of homelessness such as private rental evictions, family & friend evictions, mental health issues, drugs and alcohol problems and incidents of domestic abuse. The production of the Homelessness and Rough Sleeping Strategy provides the focus for what the new service is trying to achieve over the next five years.
- 4.4 In a time of rising homelessness and rough sleeping, when admissions into temporary accommodation are proving particularly costly to London Boroughs, the strategy sets out the intention to work preventatively to stop homelessness from occurring and to reduce the reliance on temporary accommodation. In doing so, the Council will achieve better outcomes for residents as well as better value for money.
- 4.5 As part of this strategy, the Council has carried out a consultation with its key partners and residents of the Borough. The feedback from well over 300 residents and the majority of our key partners is that the Council is not responsive to residents seeking assistance from the Housing Needs & Homelessness Service. Additionally, many of the Voluntary and Statutory Sector were of the view that the Council had withdrawn from performing its co-ordinating and facilitating role in tackling homelessness in the

Borough. The Homelessness and Rough Sleeping Strategy sets out a clear path for improving services for residents and re-instating partnership work in the borough.

- 4.6 The Improvement and Assurance Panel (IAP) was commissioned by the Secretary of State for Levelling up, Housing and Communities to advise and assist on the Council's financial recovery strategy and report on the progress of service improvements. In the remit given to the Panel, housing was identified as one of the priority areas for improvement.
- 4.7 The Exit Strategy (October 2023) devised by the Improvement and Assurance Panel and produced in conjunction with the Council sets out the progress required by 2025. Within the document, it sets out the necessity to produce a Housing Strategy to provide necessary direction for the service. As stated above, the Homelessness and Rough Sleeping Strategy links into the Housing Strategy.

#### **4.8 Methodology for developing the Homelessness and Rough Sleeping Strategy 2024-2029**

- 4.8.1 In order to develop this strategy, the Council firstly conducted a review of homelessness and rough sleeping in the borough from July to October 2023. This included the use of homelessness statistics collected for the Department for Levelling Up, Housing and Communities (DLUHC), and the Combined Homelessness and Information Network (CHAIN), the London Mayors KPI's for Rough Sleeping.
- 4.8.2 In addition, an examination of how Croydon's performance benchmarks with London Local Authorities was conducted using information obtained from DLUHC and CHAIN. The process identified gaps or learning and tried to project future trends for homelessness and rough sleeping in Croydon.
- 4.8.3. The outcomes of the previous Homelessness and Rough Sleeping Strategy 2019-2022 were also considered. This set the following targets.
- Build 2,000 homes for Croydon residents.
  - Extend the Landlord Licensing Scheme after the first 5 years.
  - Buy 250 homes for families in need to be let at truly affordable rents.
  - Develop a strategic partnership with Crisis to develop our 10-year strategy to end homelessness.
  - Continue with our Housing First approach to get our most vulnerable rough sleepers off the streets.
  - Build on our Social Lettings Agency pilot to both encourage good landlords and to sustain tenancies.

During this period, the Council's financial position and the confinement of the Covid period meant that these objectives were not delivered and from May 2022 the Executive Mayor undertook to carry out a review of this service and produce a revised strategy with a greater emphasis on the prevention of homelessness as required by the Homelessness Reduction Act 2017.

- 4.8.4 The preliminary findings from the review were used to seek comments and views on homelessness and rough sleeping in Croydon from partners and whether the initial findings identified the right priorities for the next five years. This involved a consultation exercise which included a user survey, meetings with residents, voluntary groups, and statutory agencies.
- 4.8.5 A short Consultation report was then produced summarising the views that have been expressed and any recommendations made that would inform the final Strategy.
- 4.8.6 The six priorities are as follows.
- Priority One - Listen to our residents and provide good and responsive services.
  - Priority Two - Act at the earliest possible stage to prevent homelessness from occurring.
  - Priority Three - Reduce the reliance on the use of temporary accommodation.
  - Priority Four - Reduce the numbers of people who are rough sleeping in Croydon.
  - Priority Five - Manage our stock and encourage new affordable, private rented and social housing.
  - Priority Six - Re-instate partnerships with the Voluntary and Statutory Sector and deliver a more integrated approach to tackling homelessness.

#### **4.9 Delivering the Homelessness and Rough Sleeping Strategy 2024- 2029**

- 4.9.1 The Homelessness and Rough Sleeping Strategy 2024- 2029 will be underpinned by a plan which will detail the key actions and milestones to be achieved by 2029 to ensure our strategic priorities and objectives are delivered.
- 4.9.2 The key milestones will be SMART (specific, measurable, achievable, relevant, and time-bound) and reviewed as part of our Housing Transformation Programme. The key milestones will align with the Council's key performance indicators and Standards.
- 4.9.3 The strategic priorities and objectives of our Homelessness and Rough Sleeping Strategy 2024-2029 will also be reviewed against the following priorities.
- The Homelessness Reduction Act 2017 and the requirement for Local Authorities to prevent homelessness from occurring by early intervention.
  - The Government's ambition to eliminate Rough Sleeping by 2027
  - The Regulator of Social Housing has recently expanded the consumer standards to encompass the accessibility of services to prospective tenants as well as those with a secure and assured tenancy.
- 4.9.4 In a climate where the cost of homelessness is rising, a responsive and effective Housing Needs & Homelessness Service will require more integrated solutions in partnership with others. We understand that we need to do more for those people in greatest need and take a fresh look at how we can respond better to those groups that draw a disproportionate level of resources from the Council and other public service

providers – such as families with multiple and complex needs. This will involve working much more closely with other voluntary and statutory partners in a spirit of partnership, sharing knowledge and expertise, and finding ways to better co-ordinate and integrate our approach.

## 5 ALTERNATIVE OPTIONS CONSIDERED

5.1 The following alternative options were considered ahead of developing the Homelessness and Rough Sleeping Strategy 2024- 2029:

- Do not produce a new Homelessness and Rough Sleeping strategy.
- Delay the development of a Homelessness and Rough Sleeping strategy.

5.2 The alternative option of not producing a new homelessness strategy was rejected for the reasons listed in 3.1- 3.7. Additionally, the Strategy is a statutory requirement which was due for completion in 2023. The Department of Levelling Up, Housing and Communities agreed to delay the new Strategy on the basis that it was produced by Spring 2024. Asking for a further extension is unnecessary and might therefore damage the Council's credibility.

## 6 CONSULTATION.

6.1 We consulted on the key themes of the Homelessness and Rough Sleeping Strategy 2024- 2029 through an online survey questionnaire. The survey asked respondents whether they agreed or disagreed with the draft priorities. The online survey was live from 6<sup>th</sup> October to 15<sup>th</sup> December 2023 and received 188 responses and showed broad support for all original five draft priorities and underlying objectives. As a result of the feedback, a further objective on the delivery of a good and responsive service was added.

6.2 Survey responses regarding the draft priorities and objectives and a snapshot of the responses are listed below.

**Priority One: Listen to our residents and provide good and responsive services.** This has been included as an additional target as an outcome of the consultation where many respondents complained about the poor customer experience they had received.

**Priority Two: Act at the earliest possible stage to prevent homelessness from occurring.** Data provided to the Department of Levelling Up, Housing and Communities shows that Croydon Council currently prevents homelessness from occurring in 35% of occasions against the 45% average in other London Boroughs suggesting that more can be done to prevent homelessness.

**Priority Three: Reduce the reliance on the use of temporary accommodation.** Homelessness is on the rise nationally and particularly across London with some Councils experiencing 15% increases in those needing temporary accommodation. The cost of temporary accommodation and bed and breakfast is high, and residents are often housed in such accommodation for extended periods of time. We will use every endeavour to reduce the reliance on the use of temporary accommodation to



ensure residents are provided with stable homes. *94% agree or strongly agree with this priority.*

**Priority Four: Reduce the numbers of people who are rough sleeping in Croydon.** Approximately 15% of the rough sleepers assessed in the borough remain living on the streets, and it is key that we continue to provide them with support services. We will also work with partners such as Safer Streets to deter those who refuse an offer of accommodation and cause anti-social behaviour. *79% agree or strongly agree with this priority.*

*Reasons for 15% disagreeing or strongly disagreeing:*

- *Some respondents were of the view that support should be withdrawn or that people could not be helped.*
- *Others wanted stronger action against anti-social behaviour.*
- *Comments were also received about the impact that staying in temporary or hostel accommodation can have upon mental health.*

**Priority Five: Manage our stock and encourage new affordable, private rented and social housing.** We need to manage our own stock effectively to ensure properties are re-let swiftly, as well as intervene to maintain tenancies in the social and private sectors. In addition, we will work with our housing association partners to increase access to the supply of new affordable and social housing in the borough *87% agree or strongly agree with this priority.*

*Reasons for 9% (23 people) disagreeing or strongly disagreeing:*

- *'Better management and maintenance of existing homes was needed.'*
- *'More social than affordable housing was needed.'*
- *'Rehouse out of Croydon as it is over-crowded.'*

**Priority Six: Re-instate partnerships with the Voluntary and Statutory Sector and deliver a more integrated approach to tackling homelessness.** We know that often residents with additional vulnerabilities are at a higher risk of homelessness and we need to work effectively with partners to assist vulnerable residents so as to prevent homelessness. *87% agree or strongly disagree.*

*Reasons for 11% disagreeing or strongly disagreeing:*

- *'Need to invest more in Mental health prevention.'*
- *'Council should be leading and not assigning responsibility to others.'*

6.3 18% of those responding had experienced homelessness or a threat of homelessness.

6.4 Meetings were held with Croydon Communities Consortium in which 26 residents attended and the Private Landlords Forum where about 60 landlords attended over 2 sessions.

6.5 A further 160 comments were received in the Housing Strategy consultation that related to homelessness.

- 6.6 One to one meetings also took place with key partners including the Family Justice Centre, Evolve Housing, St Mungo's Housing Association, Croydon University Hospital, South London and Maudsley Hospital Trust, Thames Reach, Nightwatch, Crisis Skylight, South West London Law Centres and Southern Housing.
- 6.7 In summary, key concerns raised in the Consultation related to the lack of responsiveness from the Housing Needs and Homelessness Service. The voluntary and statutory partners were also concerned that the Council was no longer carrying out its co-ordinating and facilitating role in tackling homelessness in the Borough.
- 6.8 There have also been two All Member Briefing Sessions with one occurring at the beginning of the process and another to comment on the finalised Strategy.
- 6.9 A report summarising the Consultation outcome is attached to Appendix C of this report.

## **7 CONTRIBUTION TO EXECUTIVE MAYOR BUSINESS PLAN**

7.1 The development and implementation of the Housing Strategy 2023- 2028 and the Homelessness and Rough Sleeping Strategy 2024-2029 is key to ensuring the Council delivers against the following priorities within the Executive Mayor's Business Plan 2022- 2026:

- Get a grip on the finances and make the Council financially sustainable.
- Become a council which listens to, respects, and works in partnership with Croydon's diverse communities.
- Strengthen collaboration and joint working with partner organisations and the voluntary, community and faith sectors.
- Develop our workforce to deliver in a manner that respects the diversity of our communities.
- Ensure children and young people have opportunities to learn, develop and fulfil their potential.
- Invest in council homes to drive up standards and develop a more responsive and effective housing service.
- Work with partners and the VCFS to promote independence, health and wellbeing and keep vulnerable adults safe.

## **8 IMPLICATIONS**

### **8.1 FINANCIAL IMPLICATIONS**

The Homelessness and Rough Sleeping Strategy sets out the priorities of the Housing Needs services across 2024-2029. Priority one may involve financial implications depending on the outcome of feasibility work around data management. Priorities 2,3,4 and 5 align with business-as-usual priorities and planned improvements to service delivery and will contribute to improvements in efficiency and effectiveness. Priority 6 will require resources in the form of staff time, but this will be managed within existing budgets. Implementation of the strategy as described should ensure that homelessness

costs are minimised as effective demand management results in fewer households needing high-cost housing support.

Comments approved by Allister Bannin, Director of Finance (Deputy s151 Officer), 10/04/24.

## **8.2 LEGAL IMPLICATIONS**

- 8.2.1 The Head of Litigation and Corporate Law comments on behalf of the Director of Legal Services and Monitoring Officer as follows.
- 8.2.2 Part 7 of the Housing Act 1996 sets out the definition of homelessness, and the duties owed by local authorities to applicants who become homeless or are threatened with homelessness.
- 8.2.3 The Homeless Reduction Act 2017 requires local authorities to intervene at an earlier stage and take reasonable steps to prevent homelessness (to those threatened with homeless within 56 days) and/ or relieve homelessness (through sustaining or securing accommodation) for eligible applicants who become homeless or are threatened with homelessness.
- 8.2.4 The Domestic Abuse Act 2021 amends Part 7 of Housing Act 1996 and now provides a new definition of domestic abuse. The Act extends priority need to all eligible victims of domestic abuse who are homeless as a result of being a victim of domestic abuse and requires local authorities to assess whether an applicant is homeless as a result of domestic abuse.
- 8.2.5 The legislation concerning homelessness reviews and strategies is set out in sections 1 to 3 of the Homelessness Act 2002 (“the 2002 Act”).
- 8.2.6 Section 1 of the 2002 Act provides that a local housing authority may from time to time carry out a homelessness review for their district and formulate and publish a homelessness strategy based on the results of that review. The authority must exercise that power so as to ensure that a new homelessness strategy for their district is published within 5 years of the date of publication of their last homelessness strategy.
- 8.2.7 Section 2 of the 2002 Act sets out the meaning and scope of a homelessness review.
- 8.2.8 Section 3 of the 2002 Act, defines a homelessness strategy as a strategy for preventing homelessness in the district, securing that sufficient accommodation is and will be available for people in their district who are or may become homeless, securing the satisfactory provision of support for people in the district who are or may become homeless, or who have been homeless and need support to prevent them becoming homeless again.
- 8.2.9 In formulating or modifying a homelessness strategy, the authority must have regard to its current allocation scheme, its current tenancy strategy, the current London housing strategy, and the extent to which objectives can be achieved by other public bodies, voluntary organisations etc.

- 8.2.10 Before adopting or modifying a homelessness strategy, the authority must consult such public or local authorities, voluntary organisations, or other persons as they consider appropriate. The consultation that has taken place is set out in section 6 of the report.
- 8.2.11 In carrying out a homelessness review, and in developing the revised Homelessness and Rough Sleeping Strategy, under Section 182(1) of the Housing Act 1996 the authority must have regard to the code of practice issued by the Secretary of State under Section 214A of the Housing Act 1996, namely the Homelessness code of guidance to local authorities 2018 as updated. Chapter 2 of the Code of Guidance relates to homelessness strategies and reviews.
- 8.2.12 The authority must keep their homelessness strategy under review, and may modify it from time to time, and the modifications or the strategy as modified must also be published.
- 8.2.13 A copy of the strategy must be available for inspection at the council's principal office, or a copy provided to member of public if asked for, and under the Code of Guidance the Council should publish the strategy and review documents on its website.
- 8.2.14 A public authority, the Council must always take account of the provisions of the Human Rights Act 1998 and not act in a way which is incompatible with a Convention right. Under Article 8, any interference with the right to respect for a person's private and family life and home must be proportionate and Article 14 requires that there must be no unjustified discrimination within the scope of human rights on any grounds, such as sex, race, colour, language, religion, political or other opinion, national or social origin, association with a national minority, property, birth, or other status.
- 8.2.15 Approval of the Homelessness and Rough Sleeping Strategy 2024-2029 following consultation is a function reserved to Full Council by Article 4.2 of the Council's Constitution unless otherwise delegated in accordance with Article 4.1.

Under paragraph 4.55 of Part 3 of the Council's Constitution, the Corporate Director for Housing is responsible for discharging the Council's duties, powers and functions in relation to homelessness.

- 8.2.16 The Homelessness and Rough Sleeping Strategy meets the overall requirements of the Homelessness Act 2002 and the Code of Guidance chapter 2, and there is no legal reason why Cabinet should not agree the recommendations in this report, and to make a recommendation to Full Council to adopt the Strategy.

*Approved by:* Sandra Herbert Head of Litigation and Corporate Law on behalf of Stephen Lawrence-Orumwense Director of Legal Services and Monitoring Officer (05/04/2024)

### **8.3 EQUALITIES IMPLICATIONS**

Under the Public Sector Equality Duty of the Equality Act 2010, decision makers must evidence consideration of any potential impacts of proposals on groups who share the protected characteristics, before decisions are taken. This includes any decisions relating to how authorities act as employers; how they develop, evaluate and review policies; how they design, deliver and evaluate services, and also how they commission and procure services from others.

8.3.1 Section 149 of the Act requires public bodies to have due regard to the need to:

- eliminate unlawful discrimination, harassment, victimisation, and any other conduct prohibited by the Act.
- advance equality of opportunity between people who share a protected characteristic and people who do not share it; and
- foster good relations between people who share a protected characteristic and people who do not share it.
- Protected characteristics defined by law include race and ethnicity, disability, sex, gender reassignment, age, sexual orientation, pregnancy and maternity, and religion or belief.
- Having due regard means there is a requirement to consciously address the three tenets of the Equality Duty within decision-making processes.
- By law, assessments must be carried out throughout planning and delivery and contain sufficient information to enable the local authority to show it has paid 'due regard' to the equality's duties; and identified methods for mitigating or avoiding adverse impact on people sharing protected characteristics.

The Equalities Impact Assessment undertaken shows the outcome for protected groups is being positive.

Comments Approved by Felisha Dussard Senior Communities Officer 06/03/2024.

## **8.4 CRIME AND DISORDER IMPLICATIONS**

8.4.1 The Strategy alludes to the problem of anti-social behaviour caused by a minority of those who are rough sleeping and the need to co-ordinate work with safer streets to tackle this problem.

8.4.2 The Council also recognises the rising levels of homelessness attributable to Domestic Violence and will continue joint working with the Family Justice Centre to tackle this issue as well as liaising with the Police and the Council's Community Safety team.

## **8.5 RISK MANAGEMENT IMPLICATIONS**

8.5.1 Housing has been identified as an area of key concern by the Government and the progress of the Transformation Programme is monitored by the Improvement and Assurance Panel appointed by the Secretary of State. Failure to progress the Homelessness and Rough Strategy and a successful re-organisation of the service may

therefore impact on the ability of the Borough to achieve an exit from intervention in July 2025.

## **8.6 DATA PROTECTION IMPLICATIONS**

There are no data protection implication with regards to this report

## **9 APPENDICES**

*A Homelessness and Rough Sleeping Strategy*

*B Homelessness and Rough Sleeping Review*

*C Consultation Summary Report*

# Homelessness Strategy 2024-2029

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## Foreword – Cllr Lynne Hale

I am pleased to introduce Croydon's Homelessness and Rough Sleeping Strategy which sets out our plans for reducing the challenge of homelessness in our Borough over the next 5 years.

At a time when Homelessness and Rough Sleeping are rising across London and the UK, it is vitally important that we as a Council set out how we are going to tackle this growing problem in our Borough.

It is essential that we treat all those approaching us for help and support with empathy and respect and that we provide a timely and responsive service to those in need.

For this reason, during the first year of this Strategy we will be completing the re-organisation of the Housing Needs Structure with a view to working to prevent homelessness from occurring in the first place. Timely homelessness prevention advice and support at the earliest opportunity will be critical and we need to make that advice easily accessible to anyone who needs it, as well as also being able to provide the accommodation that people need in an emergency.

To reduce our reliance on temporary accommodation, we must manage our housing stock more effectively; reducing the number of empty properties; cutting unauthorised occupation and encouraging those who no longer need larger properties to downsize.

Besides that, we will review our Allocation Scheme to ensure that those who are most in need receive priority for housing.

Such are the challenges with homelessness at present, that we cannot manage this on our own. We must seek to build upon relationships we have with the many local landlords and agencies who are committed to providing excellent and affordable housing.

We have some excellent landlords in Croydon who take their responsibilities to their tenants very seriously and we couldn't manage to meet the very high demand for housing without them. However, where poor practice occurs, we will need to take action.

Many of those who are struggling with homelessness are now facing long periods awaiting re-housing, often in circumstances which are far from ideal and it is important therefore that we do as much as possible to ensure they have decent living conditions

In the environment we face, it is important that the Council works more closely and more effectively with our many partners in the Voluntary Sector, many of whom show significant passion and commitment in assisting those who are homeless.

In addition, over the past few years the Council has not been as effective as it should be in carrying out its strategic and co-ordinating role in reducing homelessness. A key outcome of this report will therefore be to re-instate the Council's formal role in supporting and facilitating the work being carried out by our Partners.

In tackling Rough Sleeping effectively, we recognise the need to adopt a tailored and multi-agency approach that tackles the prevalent causes of homelessness in our Borough, such as poor mental health, alcohol and substance abuse and domestic violence. Ideally, rough sleeping should be rare, brief and non-recurring, but we recognise that much will need to be done in order to make progress with this ambition.

With over 7,000 people awaiting re-housing on the Housing Register, we recognise that we must also plan the future supply of housing in our Borough. Although I would stress that this will not provide a comprehensive solution, our Regeneration and New Homes Strategy due in the Autumn 2024, will set out how we will progress this important work.

Finally, I would thank all those who have supported the consultation work and given us feedback on the development of this strategy; and I can give every assurance particularly to those in the Voluntary Sector that we have listened and will act upon your views.

## **A refreshed approach to dealing with homelessness in our Borough**

Susmita Sen (Corporate Director of Housing) and Beatrice Cingtho-Taylor (Director of Homeless Prevention and Accommodation)

The 2024-29 Homelessness and Rough Sleeping Strategy has been produced at a time of greatly increased demand for housing needs services across London and the UK. Figures produced by the London Councils show a 15% increase in the number of households in temporary accommodation across the Capital. Additionally, the number of families living in unsuitable bed and breakfast accommodation has increased exponentially placing great strain on those living in these circumstances. At the same time rough sleeping has increased significantly whilst the availability of supported accommodation remains static with many living for many years awaiting suitable move-on accommodation.

With its growing population, Croydon has been greatly affected by this increase in housing need and declining housing supply and it is in this context that the Homelessness and Rough Sleeping Strategy has been produced.

In preparing this strategy, we have heard the views of over 300 residents as well as many of our statutory and voluntary sector partners. Some of the feedback we have received has been particularly critical about a perceived lack of responsiveness to residents' concerns on the part of our services. Additionally, many of our Voluntary

Sector partners have spoken of their belief that the Council is no longer playing a co-ordinating and leading role in facilitating joined up work in homelessness prevention.

We believe that to move forward we must react positively to this feedback and set in place a clear plan for resolving these concerns.

Firstly, we must ensure that those who are threatened by homelessness are given an approachable and humane response which recognises the stress that homeless people are under, and the support needs they may have. It is clear that over the past few years that too many residents have failed to receive such a service, often having to wait for long periods to see a Housing Need & Homelessness Officer.

The ongoing re-organisation of our Housing Needs & Homelessness Service will ensure that those who are homeless on the day are seen and provided with a service and that the specialism exists to tackle the complexity of needs of those who are presenting so that we are able in many cases to prevent homelessness from occurring.

Secondly, our structure will support the re-establishment of the links we need to support the excellent work of our Voluntary Sector partners as well as colleagues in the statutory sector.

Achieving these objectives will require significant cultural change within the organisation and it will take time to deliver the services that residents deserve but this strategy and the delivery plan sets out how the identified priorities will be delivered to achieve service outcomes that our residents deserve.

## **2 Factors that determine this Strategy.**

This strategy sets out the Council's approach towards tackling homelessness and rough sleeping between 2024 and 2029. It fulfils a statutory requirement under the Housing Act 2002 and will be influenced by the factors set out below.

### ***National Context***

The strategy is produced at a time of rising homelessness and rough sleeping across London and the UK. The increased unavailability of low cost social and affordable housing combined with a withdrawal from the market of many private sector landlords has meant that many Councils are increasingly reliant on placing homeless residents in temporary accommodation some of which is unsuitable as well as often being placed far from where the applicant has been living. Since 2022, year on year increases in temporary accommodation have exceeded 15% and the challenge for Councils is to combine an approach that manages both the current pressures on its services and plans for the increased delivery of new housing that is so badly needed.

In the Rough Sleeping Initiative 2018, the Government set out its strategy for eliminating rough sleeping by 2027 and halving it by the end of the Parliament (then thought to be 2021/22). In 2022, the strategy was refreshed with the Government committing a further £500m nationally to the Rough Sleeping Initiative of which

Croydon received over £4m to cover a three-year period to 2025. This sum included the cost of 'somewhere safe to stay' accommodation for rough sleepers', delivery of housing first services to support those moving into accommodation as well as a Rough Sleeping team and specialist support workers. As numbers of those sleeping rough rise, the Strategy will outline that although Croydon has a good performance in terms of preventing a "second night out", more needs to be done in tackling the often-linked issues of mental health, well-being and poor behaviour often associated with this problem.

The introduction of the Homelessness Reduction Act (HRA Act 2017) represented the most significant change in Homelessness legislation for a generation. Most importantly, it included requirements for Local Authorities to assess all eligible applicants and take steps to prevent and relieve homelessness. It also extended the period that a household is threatened with homelessness from 28 to 56 days giving an emphasis to preventing homelessness at the earliest stage rather than waiting for an applicant having an immediate relief need. The need to fully respond to the requirements of this legislation is central to this Strategy.

### ***Local Factors***

**Councils Financial Position-** - In October 2020 the Council's auditor external auditors published a highly critical 'Report in the Public Interest' (RIPI) setting out serious failings in the council's financial management, decision-making and governance. The scale of the financial and governance challenges highlighted in the RIPI led to the council issuing multiple Section 114 notices and making significant cost savings across the organisation. Since the Executive Mayor's election in 2022, he has worked with the new Corporate Management Team to introduce a council-wide transformation and improvement programme, led by the priorities in his Executive Mayor's Business Plan, to reshape services, reduce costs and put residents first.

Unlike many councils which have issued Section 114 Notices, the government has not instructed commissioners, nor removed any decision-making powers from Croydon. Instead, the council works closely with a statutory Improvement and Assurance Panel (IAP) which provides updates and assurance to the Secretary of State on the council's progress, including on the council's financial sustainability. The council continues to face significant financial pressure, most notably from the costs of servicing its £1.6bn of legacy debt. Similarly to other councils, the council also faces significant increases in those needing homelessness relief which has placed additional strain on council budgets. This strategy will address the costly use and reliance on temporary accommodation which is now affecting many boroughs.

**Intervention of the Regulator of Social Housing** – following events at Regina Road where residents were living in unacceptable conditions, the Council were found to be in contravention of the Home Standard and the Tenant Involvement and Empowerment Standard by the Regulator. Though this does not directly impact upon a strategy for homelessness, the Council is committed to the pursuit of better

services for residents who are temporarily housed or awaiting rehousing and recognises that the service offered to many has been unsatisfactory.

### ***Transforming the Council***

Since May 2022, the Executive Mayor has set out a programme of service improvement to correct historic poor performance in parts of the Council.

These priorities are shaped by the Executive Mayor’s Business Plan 2022 and the Local Plan 2019-40.

Outcome 4, Priority 3 of the Executive Mayor’s Plan states that the Council will

*Prevent homelessness by providing advice, guidance, and appropriate support.*

*Review procurement of nightly paid temporary accommodation for homeless people to obtain Value for Money.*

An overall theme of the Executive Mayor’s Plan is to treat residents with respect and ensure their issues and complaints are responded to promptly and effectively and this clearly also applies to those who are Homeless or Rough Sleeping.

The Strategy also considers other priorities in the Executive Mayor’s Plan relating to health recognising that homelessness is a significant factor in poor mental and physical well-being.

### **Housing Strategy**

Sitting with other key strategies under the Housing Strategy 2023, the Homelessness and Rough Sleeping Strategy also complements strategies developed in other Council’s departments such as Community Safety and Joint Children’s Services Protocol.

## **3 Demographics**

Croydon is London’s most populated Borough, with approximately 390,800 residents (Census 2021) with a projected growth of 3.6% between 2021 and 2025 and 10% up until 2031 (GLA 2020 based housing led projections).

Age	Croydon		London	England
	Population	% of population	% of population	% of population
Under 16	80,089	20.5%	19.2%	18.5%
16 – 64	257,001	65.8%	68.8%	63.0%
65 +	53,416	13.7%	11.9%	18.5%
All Ages	390,506	100.0%	100.0%	100.0%

- The 9% increase in 0-14 age group is tied to the 11% rise in the 30-44 age group (the largest age group at 23%) and the under 19 population in Croydon is now the highest in London leading to projections of increased demand for general needs housing up until 2040
- From 2011 to 2023 there was a rise of 23% in the over 65 population with projected increase of 58% between now and 2040

**PROJECTION** The Strategic Housing Market Assessment 2023 points to a ‘clear and acute need for rented affordable accommodation for lower income households’

## Disability

28% of Croydon households contain one person with a disability against the London average of 26.6%.

Projections made about disability in Croydon (Iceni SHMA) predict the following;

Disability	Age Range	2021	2040	% Change
Dementia	65+	3,553	5,969	68.0%
Mobility problems	65+	9,413	15,342	63.0%
Autistic Spectrum Disorders	18-64	1,986	2,147	8.1%
Learning Disabilities	65+	473	763	61.2%
	15-64	5,356	5,748	7.3%
	65+	1,073	1,688	57.3%
Impaired mobility	16-64	10,940	11,938	9.1%

**PROJECTION:** Identified need for more supported and extra-care units needed between 2021 and 2040 for disabled and elderly people (see Key Challenges) General needs units to be “accessible and adaptable homes”

## Ethnicity

The table below demonstrates disproportionate over representation of the Black community in terms of homelessness applications which are well above the London average.

%	London	Croydon	Rest of England
<b>White</b>	31%	26%	75%
<b>Black</b>	29%	45%	6%
<b>Asian</b>	12%	12%	5%

Far higher numbers of Black and Ethnic Minority communities are recorded as living in the more deprived areas of North Croydon associated with social and private rented accommodation (included House's in Multiple Occupation) such as West Croydon, Selhurst and Thornton Heath.

## 4 Key Challenges for our service

The production of our new Homelessness and Rough Sleeping Strategy 2024-29 comes at a time of significant challenge for Local Authorities particularly those across London.

As a part of this process, we are required to carry out an assessment of homelessness in the Borough which is featured in supporting documents to the strategy. Identified below are the most significant findings which involved analysis of Homelessness statistics provided to DLUC, the Mayor of London and London Councils and a benchmarking process with other providers.

### Homelessness Prevention benchmarking.

The Homelessness Reduction Act 2017 places a requirement on Councils adopting a preventative approach to Homelessness. When comparing London Council's, it appears from figures provided in June 2023 that those who have adopted this model are achieving better results in terms of homeless prevention although the numbers owed a relief duty have increased London wide.

2022/23	Prevention duty owed	Of which Owed relief duty	% owed relief duty
London-Wide	57,159	31,620	55%
Barking	1,299	550	42%
Ealing	2,958	1,242	41%
Greenwich	2,589	1,490	57%
Hackney	2,320	1,416	61%

An analysis of performance in Croydon in the calendar year 2022 showed the following;

- That of 2,272 cases owed a prevention duty, 1,500 cases or 66% were offered a relief duty suggesting a need to prioritise a more preventative approach to homelessness in Croydon as demonstrated in the above table.

**OUR CHALLENGE** The Council has completed and must now implement the review of its Housing Needs Service with a view to having the flexibility to respond earlier to the many causes of homelessness and to better engage with our partners.

## Rise in the use of temporary accommodation

Whilst many Councils are still seeking to embed the principles of preventing homelessness set out in the **Homelessness Reduction Act 2017**, there have been significant increases in demand-for temporary accommodation brought about by the economic downturn. Rising housing costs and a diminishing supply of affordable housing both in the Social and Private Sector has meant that currently in Croydon, over 3,000 families are housed in Temporary Accommodation or in unsuitable Bed and Breakfast facilities and Commercial Hotels.

**OUR CHALLENGE** We will aim to set out an approach for more effectively managing and reducing Croydon's reliance on temporary accommodation.

## Increases in Rough Sleeping

Like many Boroughs, Croydon is experiencing rises in those who are Rough Sleeping, and the services are increasingly stretched in delivering the London Mayoral target that nobody sleeping rough should spend a '2<sup>nd</sup> Night Out'. The complexity of needs of those presenting as homeless or sleeping rough often require a tailored response that may involve intervention from mental health or drugs and alcohol services to prevent applicants becoming stuck in a cycle of homelessness.

Despite a challenging environment, Croydon has continued to perform strongly in delivering the "No Second Night Out" and despite having amongst the highest number of rough sleepers amongst outer London Boroughs, over 80% are identified and prevented from sleeping on the streets.

DLUHC have written to Local Authorities identifying three key areas to act upon in 2024/5-the need for early action in preventing new rough sleepers, targeting long term rough sleepers as well as working with those who are returning to rough sleepers.

The procurement of the Rough Sleeping provider contracts offers the chance for the Council to revise the service it requires so that it more comprehensively covers all the issues faced from the need to provide everyday support to resolving issues of those who do not engage with the service or persist in causing anti-social behaviour.

**OUR CHALLENGE** With the likelihood that the increases in rough sleeping will continue, the Council will aim to deliver the Governments objectives, re-procure a responsive outreach service and tackle those who cause anti-social behaviour.

## Supply of Social and Affordable Housing

Croydon has the highest number of households in London with nearly 153,000 homes according to the 2021 Census. 56% of homes are owned or pay a mortgage, 26% rent on the Private Rented Sector and only 18% pay a social housing rent.

With up to 7,000 residents awaiting rehousing on the Housing register, the recent Strategic Housing Assessment (SHMA) has identified the need for over 1,200



additional 'low cost' rental homes per annum above current supply between now and 2040. It recommends the following mix of dwellings to meet future need within this category.

Bedroom size	%
1	15%
2	30%
3	35%
4	20%

With a projected 58% increase in the over 65 population between 2023 and 2040, it is anticipated that in addition to the need for genuinely affordable accommodation 3,800 sheltered and extra-care accommodation will be needed.

The identified need to maintain and increase the current supply of housing is also paramount by achieving a quicker turnaround of empty properties, tackling unauthorised occupation, encouraging under occupiers to move to smaller homes and supporting tenancy sustainment.

**OUR CHALLENGE** To set out how the Council will manage its stock and work in partnership to deliver new homes

### Private Sector

Private Sector Landlords provide a significant contribution to housing within Croydon. Even with recently readjusted Housing Allowance rates much of this accommodation is not affordable to many although nearly 1,000 houses are in Multiple Occupation. Increases in Mortgage costs for those who buy to let, tax changes and a perception of increased governance (such as the Renter's Bill) have all contributed to a minimum of 10% of Landlords withdrawing from the Market over the last year with projections that this will continue. This and increased competition from Inner London Boroughs seeking to procure Croydon properties will continue to affect the supply of housing from this sector.

In addition, following recent stock condition surveys, nearly 24% of private sector properties have been identified as having at least one serious 'Category A hazard'. This strongly suggests that we have a significant number of poor Landlords, and the Council will need to consider using its powers, including landlord licensing to act upon this to maintain standards and prevent further homelessness occurring

**OUR CHALLENGE.** Support and maintain landlords who provide good housing whilst using our powers to tackle poor practice.

### Health and Well-Being.

Considerable numbers of those rough sleeping or households requiring homelessness assistance experience health or social care challenges such as mental or physical ill-health, social care issues, learning difficulties and harmful

drugs or substance use. With over 40% of Croydon residents classified as being within the CORE 20 (20% of most deprived communities) health inequality statistics show that up to one sixth of people in this category (many of whom face homelessness or are placed in interim accommodation) are living with a mental health condition and up to 10% have long term depression. Growing numbers of people are presenting with drug, or alcohol problems with surveys carried out in Croydon in 2020 showing that 80% of the known 5,300 dependent opiates and drugs and alcohol abusers have received no treatment. In addition, analysis shows that disproportionately high numbers of applications are from younger residents.

The Council recognises the need to liaise closely with adult social services and statutory health authorities to respond to these increasing challenges

Additionally, University College of London research carried out in 2021 also pointed to the damaging impact that living in temporary accommodation has to children particularly those under 5 with many vulnerable to childhood illnesses and missing key milestones.

Finally, threefold increases in domestic violence incidents as recorded by the Family Justice Centre since 2017 have placed further strain on homelessness services.

<b>OUR CHALLENGE</b> Working in liaison with other providers, the Council needs to adopt a tailored approach that tackles the issues that cause homelessness
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### **Partnership work**

The preventative approach to homelessness requires a reactive and holistic response and agile joint working is necessary both within the Council and through partnership working – including the Voluntary Sector - to achieve the best outcomes. The evidence of the review is that much of this partnership work needs to be re-developed following a reduction in co-working and that there is a need to facilitate new ways of working. The recent development of the Joint Protocol with Children’s Services defines how such an approach can work in the Council and this approach is now being extended to Adult Services. The linking up with Voluntary Sector providers will involve discussions with our partners to establish their preferred way of working and determine how the Council will fully re-engage in the delivery of the services.

<b>OUR CHALLENGE</b> The Council cannot resolve every issue on its own and will reinstate and prioritise partnership work in the borough.
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### **Data collection**

The review has confirmed areas of weakness in the collection of information regarding our homelessness service particularly with regards to issues of vulnerability. As well as putting the Council’s credibility at risk, providing inaccurate information about our services increases the risk of losing vital funding that would be used to provide prevention and relief services to our residents.

## 5 Our consultation with Residents and Key Partners

As a part of the Council's legal obligation to produce a Homelessness Strategy, we have carried out a consultation to ensure that the findings of our review are consistent with the views of residents and key partners. We have considered returns from over 188 people who responded to our homelessness survey of whom 20% had an experience of homelessness as well as over 160 comments received about the subject during the Housing Strategy.

### Survey response.

Residents were asked to agree or disagree the main themes outlined below and to comment if they wished.

Theme	Agree %	Dis-Agree %	Comments
Preventing homelessness	94	2	<i>'Current system too complex and confusing'</i> <i>'Service Unresponsive/Not accessible'</i> <i>'Gap in dealing residents with complex needs.'</i> <i>'Acting as a 'gatekeeper'</i>
Reduce reliance on the use of temporary accommodation.	94	3	<i>'Build hostels or complexes of temporary accommodation.'</i> <i>'Homeless not part of the community/Impact on Mental health.'</i>
Provide services to rough sleepers	79	15	<i>'Nobody should prefer to be on the street.'</i> <i>'Review support offer after refusal of service.'</i>
Manage our stock effectively and providing new and affordable social homes.	87	9	<i>'More social as opposed to affordable housing.'</i> <i>'Poor maintenance of existing affordable homes'</i>
Increase partnership working	87	11	<i>'Multi-agency approach needed.'</i> <i>'Invest more in mental health.'</i>

\* Remainder Neither

**Comments from those who had experienced homelessness include the following:**

*‘When you are homeless, there are normally a range of other psychological issues you are facing. Mental Health, Other Psychotic Issues, Alcohol dependency. Drug Dependency, Personality disorders. someone should be there to support/ help you’.*

*‘Council support was not as helpful as needed. Offered rehousing in entirely different area of England at critical points of childhood. House was not fit for purpose. Temporary stay accommodation ..... in terrible condition which worsened the experience for children.’*

*‘I didn’t feel supported, staff were very abrupt. Not what you need when you’re in a vulnerable position. Passed from team to team with not much information. Told one thing by one team and a different thing by the next team. No support with finding private renting as the eligibility criteria is hard. ‘*

*Charities should not be the first point of contact and help. Homelessness and vulnerable people (within reason and understandably different if there are drink/drug issues) should be able to approach the Council 24/7 and receive help when it is truly needed.’*

**Meetings with Partners**

The following meetings also took place;

- Croydon Communities Consortium –Online meeting with 26 residents in attendance
- Private Landlords forum- 2 public events with 60 people in attendance
- Direct meetings with voluntary organisations including Family Justice Centre, Evolve Housing Association, St Mungo’s Housing Association, Crisis Skylight, Nightwatch and South London and Maudsley Trust.
- Council departmental meetings with Adult and Childrens Services

**Summary of feedback from Voluntary Sector Partners**

<b>Health</b>	<b>Engagement</b>	<b>Single Homeless</b>
<i>Difficulty in contacting homelessness services for cases in need.</i>	<i>Need to re-instate partners and Single Homeless Forum</i>	<i>Need to re-instate Single Homeless Forum</i>
<i>Need for the Council to engage with partners.</i>	<i>Council not adhering to commitments</i>	<i>Difficulty in getting referrals to the Council.</i>
<i>Housing not involved in strategic partnerships.</i>	<i>Give consideration of co-location/working of Council staff to ensure a more co-ordinated response.</i>	<i>Not sufficiently linked in with Council contacts in terms of referring cases or for SWEP cases</i>

<i>Need for preventative approach to homeless to curtail expensive hospital stays –costing 1.2m a year</i>	<i>Need for regular liaison- No Joint working with Council</i>	<i>Difficulty in contacting homelessness services for cases in need.</i>
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As a part of this consultation,3 briefings were also held with Councillors.

### **Summary**

This strategy accepts the feedback it has had from those contributing to the review that it needs to reinstate the facilitating and co-ordinating role it should be taking in preventing homelessness and work effectively with its partner agencies.

Many representations from residents and partners were received with regards to a lack of customer care and responsiveness in the Housing Needs & Homelessness service. Given the commitment to Service Excellence in the Executive Mayor’s Business Plan and the Housing Strategy, a specific action with regards to embedding these principles will be contained in the final agreed objectives.

# OUR KEY PRIORITIES

## **PRIORITY ONE**

### ***Listen to our residents and provide good and responsive services***

*We will extend the principles of the Residents Charter into the Housing Needs & Homelessness service.*

#### ***This includes...***

- ◆ Develop and agree customer standards for service users.
- ◆ Complete and embed the Housing Needs Service structure including appointment to key posts.
- ◆ Develop and deliver a comprehensive training programme to cover customer service, legal, technical, personal effectiveness, interpersonal and systems.
- ◆ Review the quality and consistency of the advice offer-improve access to information and services for those threatened with homelessness in Croydon.
- ◆ Develop and implement key performance indicators and a performance management culture.
- ◆ Ensure those in temporary accommodation are regularly updated with regards to their housing situation.

#### ***Why is this important?***

- ◆ *Our feedback during this consultation has been that the service is unresponsive to customers.*
- ◆ *We need to set clear standards with regards to the services residents can expect to receive.*
- ◆ *We will ensure that we embed a service culture in our re-organised service.*

## **PRIORITY TWO.**

***Act at the earliest possible stage to prevent homelessness from occurring.***

*Data provided to the Department of Levelling Up, Housing and Communities shows that Croydon Council currently do not prevent homelessness from occurring enough compared to many other London Boroughs resulting in proportionately more residents being accommodated.*

### ***This includes...***

- ◆ Consider how the advice offer in relation to the top three causes of homelessness (Private Sector evictions, Family and Friend evictions, Domestic abuse) can be strengthened and to enable greater resilience against homelessness. To include rights and signposting available help.
- ◆ Deliver Joint Housing/Social Care protocol for Care Leavers and review the local transitions offer.
- ◆ Review pathways and consider specialist support for homeless people with dual diagnosis of substance misuse and poor mental health.
- ◆ Develop protocol with hospital and review referral arrangements between Housing and South London and Maudsley Hospital Trust.
- ◆ Review the online customer form to improve accessibility.
- ◆ Review pathways and consider specialist support for homeless people with dual diagnosis of substance misuse and poor mental health.

### ***Why is this important?***

- ◆ *Even in circumstances where homelessness is rising, Croydon is accepting proportionally more applicants into temporary accommodation than other Boroughs.*
- ◆ *Effective advice needs to be available in community buildings for residents facing homelessness.*
- ◆ *We need to act as early as possible to prevent homelessness occurring.*

### **PRIORITY THREE**

#### ***Reduce the reliance on the use of temporary accommodation***

*Homelessness is on the rise across London with some Councils experiencing 15% increases in those needing accommodation. The cost of temporary accommodation and bed and breakfast is high, and residents are often housed here for extended periods of time. We will use every endeavour to reduce the numbers of those housed in temporary accommodation and bed and breakfast to ensure residents are provided with stable homes.*

#### ***This includes...***

- ◆ Challenge the acquisition of accommodation in Croydon used as temporary or settled accommodation by other boroughs.
- ◆ Develop clear standards and expectations in terms of move on from supported accommodation.
- ◆ Develop and agree a Temporary Accommodation Placements Policy which sets out the Council's approach in placing homeless households in various locations
- ◆ Deliver the benefits of the dynamic purchasing system for procuring nightly paid temporary housing
- ◆ Complete review of supported housing accommodation as part of the re-commissioning process.

#### ***Why is this important?***

- ◆ *In a climate of rising homelessness, we need to obtain the best possible value for money when procuring temporary accommodation.*
- ◆ *We need to work with other Councils to prevent the procurement of temporary accommodation by other London Boroughs*
- ◆ *We need to be clear to applicants as to where they are likely to be situated when agreed for temporary housing*



## **PRIORITY FOUR**

### ***Reduce the numbers of people who are Rough Sleeping in Croydon.***

*Approximately 15% of the rough sleepers assessed in the borough remain living on the streets after intervention, and it is key that we continue to provide them with support services. We will also work with partners such as Safer Streets to deter the minority of rough sleepers who cause anti-social behaviour.*

#### ***This will include***

- ◆ Produce annual 'Ending Rough Sleeping Plan' targeting:
  - New Rough Sleepers
  - Long standing Rough Sleepers
  - Returners to rough sleeping.
- ◆ Maintain performance on 'No second night out' – currently at 80%
- ◆ Re-tender service contracts funded through the Rough Sleeping Initiative Grant
- ◆ Work with Safer Street Partnership in reducing anti-social behaviour among some Rough Sleepers
- ◆ Agree protocols for how and when enforcement action regarding rough sleeping may be used
- ◆ Develop joint funding bids and initiatives to improve services to people sleeping rough

#### ***Why is this important?***

- ◆ *Croydon has the highest number of rough sleepers amongst outer London Boroughs.*
- ◆ *We are committed to tackling the rise in rough sleeping within the timescale of the strategy.*
- ◆ *We need to deter the minority of rough sleepers who are causing anti-social behaviour.*

## **PRIORITY FIVE**

### ***Managing stock and facilitating affordable, private rented and social housing.***

*We need to manage our own stock effectively to ensure properties are re-let swiftly as well as intervene to maintain tenancies in the social and private sectors. In addition, we will work with our housing association partners to increase the supply of new affordable and social housing in the borough.*

#### ***This will include***

- ◆ Achieve London Mayoral targets 2019 to 2028 - 2,079 per year /20,790 over 10 years and maximise affordable homes.
- ◆ We will develop a Regeneration & New Homes Policy which will set the strategic vision for borough-wide regeneration.
- ◆ Review and agree a revised Housing Allocations Scheme
- ◆ Carry out annual tenancy audits of Social and Temporary Housing and increase recovery action against fraud – 10% of council and 100% of temporary tenancies.
- ◆ Complete the regeneration of Regina Road.
- ◆ Drive up property and management standards in the private rented sector

#### ***Why is this important?***

- ◆ *Our projections show that there are insufficient affordable homes to house those on the housing register and that the supply of housing needs to increase.*
- ◆ *We will work to ensure that the Borough's housing stock of all tenure is safe, fit-for-purpose and managed effectively.*
- ◆ *The younger age profile of our population means that we need a long-term strategy for delivering more homes.*

**PRIORITY SIX**

***Re-instate partnerships with the Voluntary and Statutory Sector and deliver a more integrated approach to reducing homelessness.***

*We need to work more effectively with partners to assist vulnerable residents so as to prevent homelessness.*

***This will include...***

- ◆ Restore Borough wide liaison/communication with the Voluntary Sector.
- ◆ Increase joint working between partners including co- location between Council and Voluntary Sector staff.
- ◆ To develop the Housing Association Group liaison group
- ◆ Establishing a Private Renters' Forum and development of a Charter for Private Renters.
- ◆ Compile and keep up to date information regarding the organisations and services relating to homelessness in Croydon, including contact details and referral routes

***Why is this important?***

- ◆ *Feedback from the voluntary sector, residents and staff is that the Council has disengaged from its co-ordinating role in tackling homelessness.*
- ◆ *In a time of reducing resources, we need to maximise the potential of a partnership approach.*
- ◆ *We need to improve upon the responsiveness of our services to residents and our Voluntary Sector partners.*

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# Homelessness Review 2018/23

## Summary of findings

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## **Executive Summary - Key themes identified in the review.**

### **Develop a more efficient and responsive approach to homelessness in Croydon.**

Ensuring that an approach is adopted that seeks to assist those facing homelessness at the earliest opportunity is a priority for the Council. Our benchmarking suggests that Croydon has a proportionately higher level of those who have been assessed as being owed a relief duty than other London Boroughs who are preventing homelessness by earlier intervention. The re-organisation of our Housing Needs Service will enable us to better tailor our responses to the needs of residents as well as achieve an intervention within the 56 days recommended by the Homelessness Reduction Act 2016.

### **Reduce the reliance on temporary accommodation.**

Although the Council faces a difficult local and national operating environment in terms of finding/procuring properties for homeless applicants, it does recognise that the use of temporary and bed and breakfast accommodation can be a negative experience and affect the well-being of many applicants especially those with families. It is also an expensive service for the Council and in an environment where Councils are struggling to provide locally based housing for residents is likely to remain a challenge for the Croydon.

### **Maximising the supply of affordable housing**

Over the past five years, the demand for affordable housing provision has risen significantly in the London area. Councils have struggled to provide enough new housing both directly and through Registered Social providers and this is particularly the case in Croydon because of its unfavourable financial situation. Extending housing supply by supporting house building initiatives through partnership work with registered social providers as well as developing links with landlords to procure locally available private sector accommodation will continue to be a priority for the Council.

At the same time, work in managing the supply of housing will continue in the ways set out in Chapter 4 and may involve using our statutory powers to improve housing conditions in the Private Sector.

### **Continue our rough sleeping initiatives.**

According to statistics collected by CHAIN (Combined Homelessness and Information Network) through the London Mayor, Croydon work with the highest number of rough sleepers of all outer London Boroughs.

Despite a recent rise in street homelessness, Croydon's work in combating rough sleeping has proved effective in comparison with other South-West London Boroughs as shown by the performance in avoiding no "second night out." Yet it is recognised that nuisance from Rough Sleepers is endemic and on occasions more

effective enforcement action may be needed against those who cause anti-social behaviour.

The service provided by Croydon Reach is subject to a retendering process in 2023/24 and the task will be to continue improving the level of performance in terms of “No Second Night out” in the face of London –wide increases in rough sleeping. Additionally, successfully tackling concerns that are expressed by Residents about the consistent presence of anti-social behaviour amongst a minority of this cohort group will be a priority for the Council.

### **Restoring local Partnership work**

A consultation with residents and key stakeholders will take place to inform the homelessness strategy. This presents an opportunity to begin building more effective partnerships with voluntary and statutory agencies.

This is not only effective in enhancing our day- to-day delivery of services but in developing a strategic approach to homelessness and rough sleeping and housing supply in which shared objectives are agreed amongst partners.

### **Tailored Services for our residents**

National statistics show that many of those facing homelessness are faced with episodes of poor mental health, drug, or alcohol problems as well as domestic violence. In addition, analysis shows that disproportionately high numbers of applications are from younger residents.

To reduce the pressure on temporary accommodation, targeted preventative work needs to be further extended in liaison with our Voluntary and Statutory partners.

Conversely, census information highlights the rise in the number of elderly people signalling a likely rise in demand for supported housing and care.

### **Accurate data collection**

The review has confirmed areas of weakness in the collection of information regarding our homelessness service particularly with regards to issues of vulnerability. As well as putting the Council’s credibility at risk, providing inaccurate information about our services increases the risk of losing vital funding that would be used to provide prevention and relief services to our residents.



## **Purpose of this document**

1.1 The purpose of this review is to shape Croydon's 2024-29 Homelessness and Rough Sleeping Strategy by examining:

- Current and future trends of homelessness and rough sleeping in Croydon using statistics collected by our housing needs services.
- Identifying any gaps or learning from the way we have provided services since our last review in 2018.
- Examine how our performance in homelessness and rough sleeping benchmarks against London Boroughs.

A summary of the review will be presented in the Strategy and a full version included as an appendix.

1.2 Based on the research, the Review will reach preliminary findings with a view to informing the completed strategy. We will then ask stakeholders for their comments and views on homelessness and rough sleeping in Croydon and whether the initial conclusions set out in the review are the right priorities for the next five years. This will involve the results of a consultation exercise which included a user survey, meetings with residents, voluntary groups, and statutory agencies.

A short Consultation report will then be produced summarising the views that have been expressed and any recommendations made.

1.3 Following this, the Final Strategy will be produced and agreed by Cabinet in April 2024.

1.4 Contact details for feedback/comments

If you are interested in contributing to this review, feedback can be provided in writing, by telephone or via the surveys and forms on our web site.

1.5 To provide feedback or comments please write to: Simon James, Change Manager, Transformation Programme, Croydon Council, Bernard Weatherill House, 8 Mint Walk, Croydon CR0 1EA, or email [simon.james@croydon.gov.uk](mailto:simon.james@croydon.gov.uk)

## **2 Background**

2.1 Under the Homelessness Act 2002, local authorities are required to publish a homelessness strategy every five years to set out how it plans to deliver Homelessness and Sleeping services. This should contain an assessment of the extent of homelessness in the area and a consultation with public and local authorities, voluntary organisations as well as residents. Following this, a finalised Strategy will need to be agreed by Council Cabinet.

- 2.2 The introduction of the Homelessness Reduction Act 2017 represented the most significant change in Homelessness legislation for a generation. Most importantly, it included requirements for Local Authorities to assess all eligible applicants and take steps to prevent and relieve homelessness. It also extended the period that a household is threatened with homelessness from 28 to 56 days giving an emphasis to preventing homelessness at the earliest stage rather than waiting for an applicant having an immediate relief need. The need to fully respond to the requirements of this act is central to this Review.
- 2.3 In the Rough Sleeping Initiative 2018, the Government set out its strategy for eliminating rough sleeping by 2027 and halving it by the end of the Parliament (then thought to be 2021/22). In 2022, the strategy was refreshed with the Government committing to further investment that included £24.6 of the £37m commitment to tackling rough sleeping. Croydon's funding of £4.1m between 2022 and 2025 is critical to the delivery of the Council's programme to prevent rough sleeping.
- 2.4 The Mayors Business Plan sets the overall direction of the Council, and the Homeless and Rough Sleeping Strategy will link into its core objectives.

#### **Outcome 4, Priority 3 of the Mayor's Plan**

*Prevent homelessness by providing advice, guidance, and appropriate support.*

*Review procurement of temporary accommodation for homeless people to obtain Value for Money.*

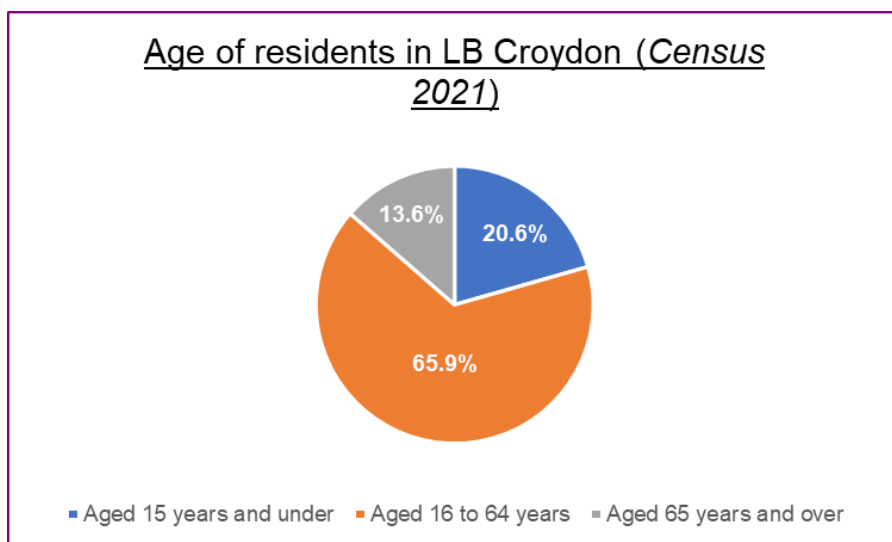
- 2.5 The outcomes of the previous Homelessness and Rough Sleeping Strategy 2019-2022 were also considered. This set the following targets.
- Build 2,000 homes for Croydon residents.
  - Extend the Landlord Licensing Scheme after the first 5 years.
  - Buy 250 homes for families in need to be let at truly affordable rents.
  - Develop a strategic partnership with Crisis to develop our 10-year strategy to end homelessness.
  - Continue with our Housing First approach to get our most vulnerable rough sleepers off the streets.
  - Build on our Social Lettings Agency pilot in order to both encourage good landlords and to sustain tenancies.

During this period, the Council's financial position and the confinement of the Covid period meant that these objectives were not delivered and from May 2022 the Executive Mayor undertook to carry out a review of this service and produce a revised strategy with a greater emphasis on the prevention of homelessness as required by the Homelessness Reduction Act 2017

### 3 Demographic Context

Croydon is London’s most populated Borough, with approximately 390,800 residents (Census 2021). With a projected growth from 2022-2041 of 7.9% (GLA 2020 based housing led projections) Croydon’s age profile is therefore expected to become younger.

Figure 1 shows the breakdown of Croydon’s residents according to age.



**Figure 1**

Nearly a quarter of Croydon’s population are aged 17 years and under, with Croydon having the highest number of 0–19-year-olds in London and the second highest 65+ year olds in London. Since 2011, Croydon has also

seen an ageing population, with a 19.6% growth in 65+ year olds (Census 2021)

#### *Ethnicity*

Government statistics in terms of the racial profile of those who were owed a Prevention or relief duty in the final quarter of 2022 showed the following.

%	London	Croydon	Rest of England
<b>White</b>	31%	26%	75%
<b>Black</b>	29%	45%	6%
<b>Asian</b>	12%	12%	5%

This demonstrates a disproportionate over representation of the Black community in terms of homelessness applications which are well above the London average.

#### *Disability*

In terms of disability in Croydon the 2021 census showed the following.

- That in Croydon 15.8% of residents were classified as disabled under the Equalities Act against a London average of 13.3%.
- When those with long term physical or mental health needs are added, this amounts to 19.6% of Croydon’s as compared with 18.5% of London’s population.

### *Elderly*

Croydon also has an ageing population, since 2011 the borough has seen a 19.6% growth in the number of residents aged 65 years and over) and is now the second highest in London. The most-recent Strategic Housing Market Assessment suggests that the growing older population will lead to an increase in requirements for specialist housing solutions such as housing with support and care and care-bed spaces.

### *Deprivation*

In terms of the deprivation index, Croydon is the 18<sup>th</sup> poorest out of 33 London boroughs (DCLG and Ordnance Survey (Crown Copyright)). and Croydon is the 97<sup>th</sup> most deprived local authority of 317 lower tier authority districts in England.

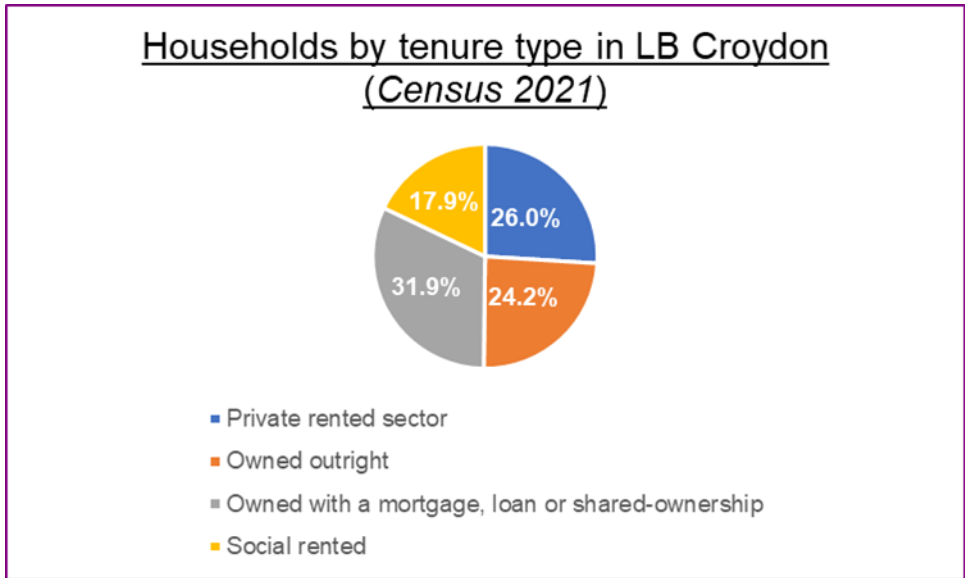
The most deprived areas in Croydon under the domain of health deprivation and disability are around the wards of Waddon, West Thornton, Selhurst, Thornton Heath, Addiscombe West, and New Addington South.

## **4 Housing Supply**

### **4.1 Context**

#### *Falling supply*

Croydon has the highest number of households in London, 152,900 (Census 2021). The ONS Census 2-21 data shows that the number of households in Croydon has increased by 5.4% in the last 10 years (145,010 to 152,900) with Council tax data suggesting this number is probably in excess of 160,000. Increases in overall stock are accounted for by growth in the private sector which has raised the amount of availability in the to let sector. Of the 152,900 households in Croydon, approximately, 9.7% rent their homes from Croydon Council with similar stock numbers held by Housing Associations and its proportion against all households has stayed the same (17.9%) over the last 10 years and is mainly concentrated in the northern parts and eastern edge of the borough. Nearly 14,000 properties are provided by Housing Associations with the largest being London and Quadrant, Hyde Housing, Clarion, Southern Housing and over 70 others, who make use of the Council's home choice register and place properties for advertising for rehousing and would then pay fees for this service.



**Figure 5**

Census 2021 data shows us that most households in LB Croydon are one-person or two-person households (57.7% of households). Approximately 18.2% of households in the borough are 3-person households, and 24.1% of households are 4+ persons.

With up to 7,000 residents awaiting rehousing on the Housing register, the recent Strategic Housing Assessment 2023 (SHMA) has identified the need for over 1,200 additional ‘low cost’ rental homes per annum above current supply between now and 2040. It recommends the following mix of dwellings to meet future need within this category.

Bedroom size	%
1	15%
2	30%
3	35%
4	20%

In addition, with a projected 58% increase in the over 65 population, it is anticipated that up to the need for genuinely affordable accommodation 3,800 sheltered and extra-care accommodation will be needed between now and 2040.

**Rising Need.**

There are nearly 7,000 households on Croydon Council’s Housing Register which represents an increase of 5.9% since January 2022.

The average wait time for a Croydon Council property between 2016 and 2021 was five years and 11 months. Most households on the housing register are waiting for one-bedroom and two-bedroom properties.

### ***Maximising the supply***

The Council's financial position as well as the difficult national environment places restrictions on its role in providing the new affordable housing that the Borough needs. However, it will play a full part in setting a strategic direction which encourages local housing providers to engage in opportunities to increase their stock. Additionally, it will not miss opportunities to plan for future development in the area if this is financially prudent.

This is shown in the commitment to the regeneration of Regina Road underlying the long-term determination of the Council to improve the conditions our social housing residents are living in. Consequently, the Council will produce a Regeneration and New Homes Policy which sets out the ambition to improve existing stock as well as deliver the new homes that we need.

### ***Managing the existing supply***

Ensuring the effective supply of existing housing stock is a priority for the Housing Service. Effective policies for recovering and reservicing empty properties combined with policies that sustain tenancies are essential for maintaining supply and minimising evictions. Additionally, ensuring that nomination agreements with local housing associations are being maintained is also a factor in maintaining supply as well as introducing effective procurement processes for leasing private sector properties.

### ***Private Sector housing***

*The Council recognises that a healthy private rented sector plays a vital role in providing good homes and will seek to work and support the many responsible landlords within our community.*

Nationally, the role of private rental as a provider of housing has doubled since 2004 and in Croydon now account for 26% of Croydon households. Studies have shown however that increases in mortgage costs for those who buy to let, tax changes and a perception of increased governance (such as the Renter's bill) have all contributed to a minimum of 10% of Landlords withdrawing from the Market across London over the last year with projections that this will continue.

However, the Private rented sector is unaffordable to many Croydon residents increasing the demand for social homes and the pressure on the homelessness services. Rents in the sector are increasing with Croydon's average annual increase standing at 9.7% compared with the London average of 12% making it a target for other Boroughs seeking to procure cheaper temporary accommodation in the area.

In September 2019, Croydon Council commissioned a stock condition survey of the 54,000 private rental properties and data collected estimated that nearly a quarter of properties in the private sector had at least one serious hazard. Moreover, the report suggests that the private rented sector also faces issues with anti-social behaviour; between 2015 and 2019, 15,746 investigations have been conducted regarding nuisance in private rented sector properties.

In the same period the Council made 12,172 interventions in the Private Rental Sector with 1,307 housing and public health statutory notices being served on non-compliant Landlords. In the Housing Strategy 2023-28, the Council set out its intention to tackle the behaviour of irresponsible Private Landlords and the problems of poor housing conditions, high levels of deprivations, crime and anti-social behaviour that is sometimes associated with this form of tenure. This stated that if necessary, the Council will use the powers it has to improve the Borough's Private Rental Stock including consulting upon the introduction of a discretionary (including selective and additional houses in multiple occupation) licensing scheme(s).

***Keeping people in their homes.***

Nearly 58% of residents either own their homes outright or are paying a mortgage.

The Strategic Housing Market Assessment 2023 shows that people who are elderly or who have a long-term health problem or disability are more likely to own their homes outright than the general population. It is important that these homes are adapted to meet the needs of those with long-term health problems or disabilities to prevent admission into supported housing, hospital, or residential care.

Croydon's 'Staying Put Service' helps people to remain living independently in their own home, through the provision of Disabled Facilities Grant (DFG) for adaptations, and Home Investment Loans for essential repairs. It also provides a Hospital Discharge Service to facilitate safe discharges, as well as a Handyperson Service for minor work. In 2022/23, the Council distributed over £3m of DFG funding to the former and nearly £100,000 in loans for home improvements.

***Making new housing available***

Between 2019 and 2023, 524 units across 13 developments were provided through the Housing Revenue Account and the General Fund with rents set at London Affordable levels since 2021.

Most of these units were flats (215) and there were also 36 Maisonettes and 25 Houses. 204 of these properties were occupied from 2021/22.

Additionally, six other acquisitions were made as set out below

<b>PROP SIZE</b>	<b>NUMBER OF UNITS – HRA/GENERAL FUND</b>	<b>OTHER GENERAL FUND/HRA ACQUISITIONS</b>
1 bed	116	
2 beds	238	3
3 beds	162	2
4/5 bed	8	1 x 7 bed.

The Council also accepts the need to maintain the supply of existing stock through amongst other things, effective work in sustaining tenancies in the Private Sector.

### Future Projections

- *On average, available council accommodation annually is around 400 dwellings a year - 50% one bed, 35% two bed and the remainder three or four bedroom.*
- *In the short term, an estimated 125 properties will be needed to decant Regina Road over the next 2 years.*
- *Between now and then supply of Croydon Council properties for homeless applicants is likely to fall by 15% over the next two years.*
- *Projected housing association voids per year are around 280 to 350 the majority being one or two beds.*
- *Increased demand for adapted and supported accommodation for elderly and disabled residents.*

Therefore, like many London Boroughs the provision of new housing is unlikely to keep up with demand over the period of the next Housing Strategy



## PRIORITY ONE OBJECTIVES

### Increasing Housing Supply.

#### 1) Where possible promoting the increase of available housing

- Deliver the Regina Road programme by 2027 and maximise the opportunities offered by the disposal of land
- Explore future opportunities for housing in Croydon
- Work with Housing Associations to facilitate opportunities for development.
- Work to keep people in their Private Sector homes by improving conditions using selective or multiple licensing if necessary.

#### 2) Managing the supply of properties.

- Sustaining tenancies by earlier intervention in preventing evictions in the social housing sector caused by rent arrears and anti-social behaviour.
- Ensuring effective reservicing of void properties in all tenures including Council and Housing Association properties.
- Enhancing nomination agreements with locally registered housing partners to ensure available stock is targeted towards those in temporary housing.
- More effective preventative work to limit the ending of tenancies by Private Sector Landlords as well as consideration of Landlord Licencing schemes.

## 5 Preventing Homelessness

The introduction of the Homeless Reduction Act placed emphasis on the avoidance of homelessness by extending the prevention duty to 56 days to encompass all those applying. Setting up a structure to deliver the objectives of the Act is a priority for the Council.

The table below compares the numbers being accepted for a relief duty in Croydon against other in London Boroughs in April 2022 to March 2023.

The HRA 2017 places a requirement on Councils adopting a preventative approach to Homelessness. When compared with other London Councils it appears from figures provided that those who have adopted this model are achieving better results in terms of homeless prevention although the numbers owed a relief duty have increased London wide.

2022/23	Prevention duty owed	Of which Owed relief duty	% owed relief duty
London-Wide	57,159	31,620	55%
Barking	1,299	550	42%
Ealing	2,958	1,242	41%
Greenwich	2,589	1,490	57%
Hackney	2,320	1,416	61%

An analysis of performance in Croydon in the calendar year 2022 showed the following;

- That of 2,272 cases owed a prevention duty, 1,500 cases or 66% were offered a relief duty suggesting a need to prioritise a more preventative approach to homelessness in Croydon.

In explaining this, many Boroughs have made changes to their structure to tailor their approach towards intervention. Although this comes at a time where homelessness is again on the rise it does appear that the greater concentration on homelessness prevention has had some effect.

Croydon Council has accepted that its service is not fit for purpose in terms of managing the requirements of the Homelessness Reduction Act 2017 and has now implemented a new service structure. The restructure has recognised the need to equip staff with the mindset to act at the earliest stage to prevent homelessness occurring.

Analysis of 2022 data show the reasons for homelessness as follows;

- 28% owed a relief duty were asked to leave by family or friends against 36% London wide
- 13% of cases were Section 21 (ending of an AST tenancy) against 7% London wide. In March 2020, Croydon's figure stood at 12%.
- 5% of those presenting with a relief duty came from Social Housing which is the London average.

The finalised Strategy will set out the objective of tailoring our service to tackle the high level of Single Adults who are owed a relief.

### **Future projections**

*Figures available from London Councils show a 15- 20% overall rise in homelessness applications in London between March 2022 and March 2023. Soundings from other Local Authorities are that those figures have continued to increase at the same rate since then.*

*Preparing for this type of increase appears prudent especially as Croydon is at the upper end of homelessness applications amongst London Boroughs.*

PRIORTY TWO OBJECTIVES

**Preventing Homelessness**

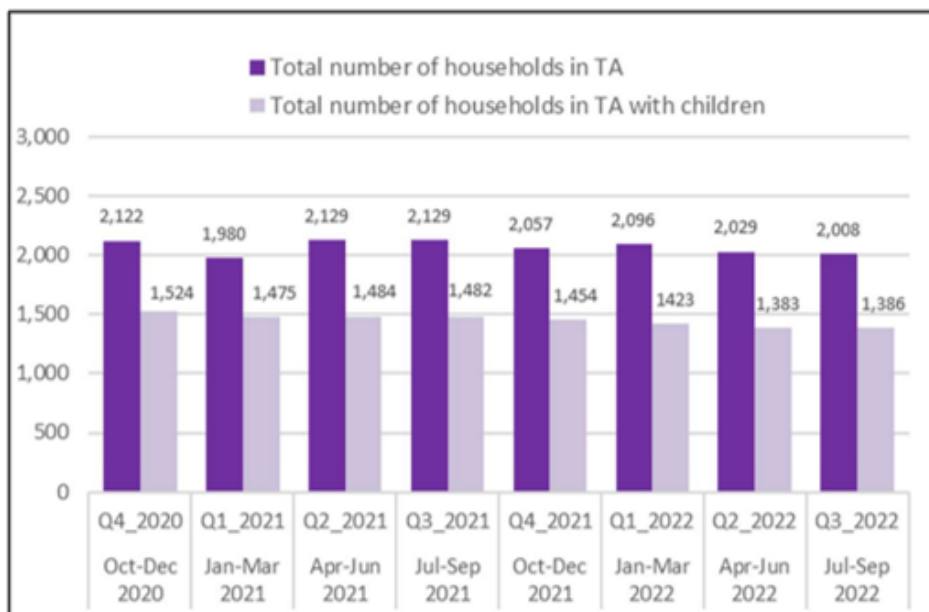
- To complete the re-organisation of the housing need's structure
- To fully implement the objectives of the Homelessness Reduction Act
- To reduce numbers of those found to be owed a relief duty to London norms.
- To prioritise prevention by tailoring our services towards tackling the causes of homelessness (see Objective 5)

**6 Managing temporary housing and bed and breakfast more effectively.**

**This review comments upon information available from Croydon until December 2022 after which data was unavailable.**

Over the past five years (2018-23) Croydon has had around 2,000 families consistently housed in temporary accommodation.

Figure 8 shows the last 8 quarterly snapshots of the total number of Croydon households that were accepted as homeless.



Source: Department for Levelling Up, Housing and Communities, Table TA1, released Feb. 2023

Figure 8

In Croydon, as of December 31<sup>st</sup>, 2022, there were 1935 households in temporary accommodation. Of these households, 1359 had children living with them, with a total of 2589 children in temporary accommodation.

There were 144 households in bed and breakfast hotels, 406 were in nightly paid, privately managed, self-contained accommodation. 6 households were in hostels, 169 were in private sector accommodation leased by the Council, 409 were in Council housing stock and 801 were in another type of temporary accommodation.

Figure 10 shows the number of households in temporary accommodation by household composition (31<sup>st</sup> December 2022).

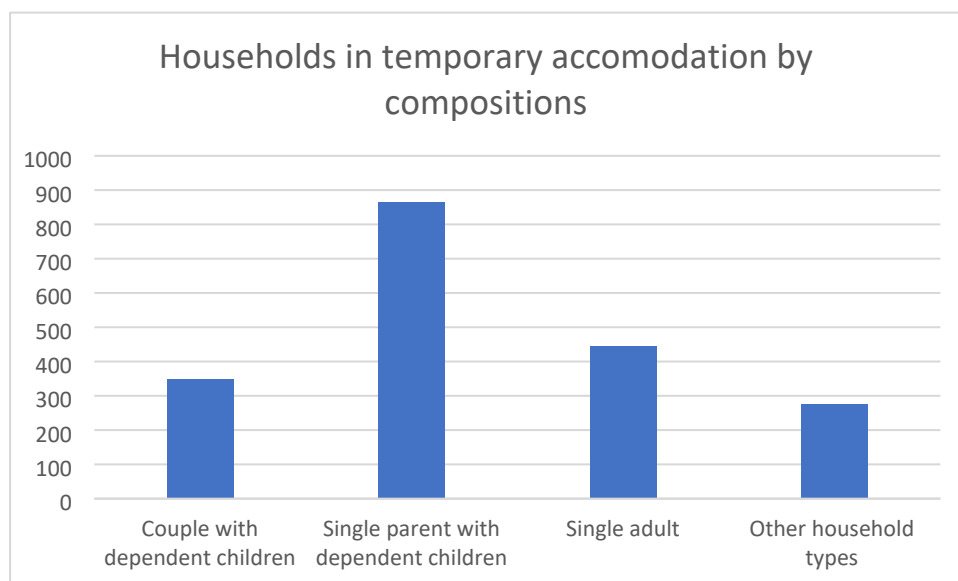


Figure 9

### **Reliance on Bed and Breakfast**

A benchmark exercise comparing borough to borough usage of temporary housing between September and December 2022 amongst London Councils shows the following.

- Croydon has one of the highest number of residents in Bed and Breakfast amongst those benchmarked (though significantly no information was available from Lambeth, Newham, Tower Hamlets and Kensington and Chelsea).
- In Croydon, of 144 applicants in Bed and Breakfast, 43 had children and 22 had been there for longer than 6 weeks.
- Croydon had higher numbers in Bed and Breakfast than Lewisham, Camden, Islington, Haringey, Kingston and Hammersmith
- In comparison, Southwark had the highest number of cases in temporary accommodation at over 3,490 but 129 were in Bed and Breakfast ,24 with children and 9 over 6 weeks.

### **Accommodation outside the Borough**

Most inner London Councils have increasingly had to seek temporary housing outside of their Borough because of the cost of procuring property and rising levels of demand in the private sector. By December 2022, of 57,490 residents in temporary accommodation, 23,890 (42%) were rehoused outside of the responsible Local Authority. The impact has been felt in Croydon, where many inner London Councils have now procured properties with the consequence of more locally based residents having to be displaced from their area.

The strategy towards resolving this problem lies in adopting a pan London approach towards agreeing a pricing framework for private sector accommodation which reduces the need for Boroughs to compete against each-other and the ability of Landlords and their agents to raise prices in a competitive environment.

Equally, the Council will need to develop effective and lasting local relationships with Private Sector Landlords to ensure a ready supply of properties. Through this mechanism the Council will seek to tackle the issue of poor quality of some temporary accommodation stock.

### **Temporary Housing not recorded in Government homelessness.**

Figures presented in this report are generated from "H-Clic data" submitted to the Department of Levelling Up, Housing and Communities by all Councils. They represent the numbers of people who approach Croydon requesting a homelessness assessment accommodation.

However, Croydon has significantly higher numbers living in temporary accommodation including up to 500 care leavers and hundreds of residents rehoused from permanent for reasons such as over-crowding or disrepair. These residents have not completed a homelessness application and the Council is now putting this process in place which will increase number in temporary accommodation to around 3,000.

An audit of temporary stock use is currently taking place with a view to developing an exit strategy which will discharge the Councils duty to these residents.

### **Future projections**

*Nationally, numbers in Temporary Accommodation have continued to rise in the period of the review. In Quarter 1 2019/20 85,040 were in temporary accommodation but by Quarter 1 2023/24 this had risen to 104,510 up by 10,000 since Q1 2022/23. Further, as stated above, London Councils are reporting increases in the use of temporary accommodation.*

*In uncertain economic conditions and restrictions to housing supply this figure could again rise by 15 to 20% over the next 5 years.*

## PRIORTY THREE OBJECTIVES

### **Managing temporary housing and Bed and Breakfast more effectively.**

- Set up a dynamic purchasing procurement arrangement with local Landlords to ensure good quality of temporary accommodation in the Private Sector.
- Work with boroughs through “London Councils” to develop a united approach to the procurement of temporary accommodation.
- To tackle the backlog of those housed in temporary housing who made no homeless application.

## **7 Rough Sleeping**

“Croydon reach” a service procured through “Thames Reach” has been delivering a street homeless outreach service for rough sleepers in Croydon since January 2017. Prior to this, Croydon did not have a dedicated outreach service for rough sleepers, and it was estimated from average street counts that at this time around 72 people were rough sleeping.

The service is commissioned to deliver on two key areas;

- Shifts – patrolling the streets throughout the day but more predominantly throughout the night and making contact and offering help to people rough sleeping.
- Casework- leading on the process of a caseload of 60-70 rough sleepers on their ‘Route Away from The Street’ (RAFTS) into settled accommodation. Much of the casework work undertaken incorporates various aspects of statutory work the council would otherwise have to pick up via our statutory singles team (SHS) if this service was not operational.
- Of the 60 to 70 people, between 40 to 60 are worked with from the Street whilst the remainder include people being supported with in Emergency Accommodation.
- This aspect of the Rough Sleeping service costs £259,000 a year and is funded through Housing. It is due to be reprocured through an Open tender with the 3 years of funding being covered by Housing and Public Health.

7.1 Performance information for the service is collected through London Mayors Office and is known as CHAIN (Combined Homelessness and Information Network) and shows Croydon recording the highest numbers for Rough Sleeping amongst outer London Boroughs. The biggest KPI for these outreach services measure how many nights a rough sleeper slept out – Achieving ‘no second night out’ being the goal. The table below shows a breakdown in Q4 22-23 of the 83 new rough sleepers achieving no second night out in the Southwest London region. Of the 83 recorded, 50 of those resettled by the second night were from

Croydon showing the Council is placing more rough sleepers after one night than the rest of entire subregion combined.

7.2 The table below sets out performance amongst south-west boroughs with regards to Rough Sleeping between January and March 2023.

CHAIN QUARTERLY REPORT | SOUTH WEST LONDON BOROUGHES | JAN-MAR 23

**South West London Boroughs: Distribution**

BOROUGH	New RS with no second night out	New RS with a second night out but not living on the streets	New RS joining living on the streets population	LOS - Known	LOS - RS205+	Intermittent rough sleeper	TOTAL
Croydon	50	12	0	4	0	23	89
Kingston upon Thames	5	2	0	11	0	17	35
Merton	11	0	0	0	0	1	12
Richmond	3	4	1	1	0	10	19
Sutton	1	0	0	0	0	0	1
Wandsworth	13	1	0	8	0	24	46
<b>UNIQUE TOTAL</b>	<b>83</b>	<b>19</b>	<b>1</b>	<b>24</b>	<b>0</b>	<b>75</b>	<b>202</b>

7.3 Figures demonstrate the split of service users of rough sleeping services according to age. The largest proportion of service users are aged between 26-45.

Age Group	% split of total Service users
18 - 25	9%
26 - 35	28%
36 - 45	28%
46 - 55	24%
55+	10%

Figure 13 (Chain 2022/23 Data)

- Of the rough sleepers assessed in the borough between 2022/23 ,73% (273 out of 373) were new to rough sleeping whilst 15% (57 of 373) remained living on the streets.
- Of those whose gender was known, 299 were male and 68 were female.
- Where a case history was taken, Croydon saw 81 out of 252 rough sleepers as having formerly been in either the armed forces, care or prison.
- Of 373 rough sleepers assessed, 94 were black, 99 were white British, 84 were white other and 28 were Asian.

- 77% (191 out of 246) had additional support needs such as substance misuse or mental health issues. This figure excludes people for whom none of the three support needs were known or assessed.

7.4 A further analysis carried out of figures produced in Q3 2023/24 pointed to an increase of 90 rough sleepers in South-West London boroughs from 202 in Q4 2022/23 to 292. Of these 143 identified were from Croydon and 149 in the five boroughs listed in the table above.

- In Croydon, of 143, 94 were newly identified as rough sleepers and 78 had no 2<sup>nd</sup> night out.
- In terms of the 149 identified in the five South-West Boroughs, 76 were new rough sleepers of which 56 spent no 2<sup>nd</sup> night out.

In terms of achieving the 2<sup>nd</sup> night out target despite having amongst the highest number of rough sleepers amongst outer London Boroughs, Croydon's performance in this area remains strong with over 80% of identified rough sleepers achieving this target.

7.5 Figures suggest that despite the offer of support in moving away from homelessness there is a section of rough sleepers (up to 15%) who remain in a cycle of homelessness. Much of this could be attributed to problems such as drugs and alcohol or mental health. It is recognised that amongst this group, there are people causing anti-social behaviour and engaging in drugs and alcohol abuse which is regularly causing disturbance. To tackle this, the Rough Sleeping services will liaise with the Safer Streets group to prioritise interventions with rough sleepers in the borough who may be involved in aggressive begging, street drinking and taking drugs in public.

#### 7.6 **Future Projections**

*Anecdotal evidence suggests that Rough Sleeping is on the rise across London and in Croydon. Despite the relative success of the No 2<sup>nd</sup> Night Out programme, it is prudent to plan for a 10% to 15% increase in rough sleeping over the course of the Housing Strategy.*

*The lack of short stay/supported accommodation combined with reduced move on opportunities will increase the difficulties in placing rough sleepers.*

#### PRIORITY FOUR OBJECTIVES

##### **Rough Sleeping**

- Re-procure the street outreach services and bed in the new service.
- Maintain performance on the "No Second Night Out" objective.
- Where necessary take enforcement action in liaison with anti-social behaviour services against rough sleepers who refuse offers of assistance and engage in anti-social activities.
- Explore more move on opportunities for rough sleepers.
- Access more suitable accommodation.



## 8 Targeted services and working with Partners

As set out in this review, the impact of the Homelessness Reduction Act 2017 means that a range of interventions are needed to prevent homelessness. This will mean increasing our work in tackling some of the causes of homelessness such as drugs and alcohol abuse, mental health issues and domestic abuse.

This will entail extending upon our partnership work in the Voluntary and Statutory sector and to continue working with voluntary agencies;

Examples of this have included

- Elite Housing and Support who provide semi-independent accommodation and housing related support to young people aged 16-21 and, in some circumstances, up to 25 with the aim of developing resilience and confidence in young people
- Evolve Housing provide a supported housing service for those who are under 25 in Croydon and other Boroughs,
- Crisis in Croydon support those who have been or are homeless and provide individually tailored advice and coaching sessions.
- Family Justice Centre or FJC provide a multi-disciplinary approach for victims of abuse and sexual violence and assess those who have made a homelessness application on the grounds of domestic abuse (see below)
- The Housing Needs Service works with the Public Health and Alcohol team particularly with Rough Sleepers when tackling issues of drugs and alcohol.
- An Officer is now employed to deal with homelessness applications coming from those in hospital. The Review accepts the importance of this issue for Adult Services and Health Services who are reporting that the Housing Service is not responsive.

### **Care Experienced Young people.**

Figures reported in June 2023 reported that there are 458 care leavers housed in temporary private sector accommodation by the Council. These were not linked to a homelessness application and therefore not included in quarterly returns submitted to Government. This has now been rectified with these numbers contributing to a rise in homelessness cases to around 3,000. Further, Local Housing Allowance was linked to 90% of the 2011 rate meaning the Council were required to heavily subsidise the cost. The uncertainty and unsuitability of some of this accommodation meant many Care-Experienced Young People experienced poor mental health and well-being, often felt unsafe with many facing economic challenges.

Housing and Childrens Social Services have now committed to a Joint Protocol which is intended to deliver upon the Government's expectation that a stronger safety net is provided for Care leavers threatened with homelessness.

This will involve a tailored pathway plan with identified support being prepared for every Care leaver and the choice of the following housing options.

- Supported Living
- Supported Housing Accommodation
- Private Rented Accommodation
- Social Housing

The routine use of Emergency Accommodation would be phased out in all, but the most urgent cases and the process would be used to identify suitable pathways for those carers who were in Emergency Accommodation.

In summary, the Council accepts that it now needs to reset its relationships within the local Statutory and Voluntary Sector and is intent on taking a leadership role by setting up a Homelessness Forum which will take place quarterly and involve key partners in discussing the Borough's strategy in reducing homelessness.

### **Family Justice Centre**

The Family Justice Centre has continued to provide a responsive service despite threefold rises in reports of domestic abuse since 2017. Increased joint working including co-location of staff will be a recommendation of the strategy.

### **Future Projections**

*When considering the need for targeted support for the causes of homelessness the following national figures are considerations*

1. *The rise in those presenting for reasons of Mental Health - Up from 56,980 in 2018/19 to 72,960 in 2021/22*
2. *The rise in domestic abuse claimants from 23,920 in 2018/19 to 32,600 in 2021/22*
3. *Increases in drug and alcohol dependency from 25,260 in 2018/19 to 30,540 in 2021/22.*

*These upward figures may well have been affected by the Covid period but further increases of 10%-15% could be likely over the period of the next housing strategy.*

### **PRIORITY FIVE OBJECTIVES**

#### **Targeted Services and Working with Partners**

- Deliver the Joint Protocol for Care Experienced Young people.
- Development a local partnership through the Statutory and Voluntary Sector with the aim of engaging with an already existing forum or setting up a Boroughwide Homelessness Forum
- Review the collation of information relating to homelessness and care needs to ensure accurate reporting.
- Extend local preventative work in combating homelessness by developing upon established relationships.
- Set up clear communication and pathways to housing for our partner health services at South London and Maudsley NHS Trust (SLAM) and Croydon Hospital.



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# Consultation and Engagement Report

## Homelessness Strategy 2024-2029 Consultation Summary

*February 2024*

## **Homelessness and Rough Sleeping Strategy 2024 - 2029 Consultation and Engagement Report**

The Homelessness Strategy 2024 - 2029 has involved an extensive consultation and engagement process which has consisted of online meetings with residents and partners, an online survey as well as a programme of outreach meetings with our key partners. In addition, we considered 160 comments made in the recent Housing Strategy consultation around issues relating to homelessness and housing supply.

In total, we have canvassed the views of over 400 people during this consultation. It is stressed that the dialogue with our partners is an ongoing one that is key to improving joint working and delivery of services over the next 5 years.

Prior to producing the strategy, we are required to conduct a Homelessness Review which examines the Council's performance over the past 5 years and compares outcomes with other providers. Having identified key themes for improvement from this research, we then tested these findings by seeking the views of residents and partner voluntary organisations.

The finalised Strategy was influenced by feedback we received from our residents and stakeholders.

### **1. Feedback from partners**

#### **Meetings with Partners**

One to one meetings with the following organisations: Family Justice Centre/ Evolve Housing/ St Mungo's Housing Association/ Croydon University Hospital/ South London and Maudsley Housing Trust/ Thamesreach/ Nightwatch/ Crisis Skylight/ South London Law Centre/ Southern Housing/South Norwood Community Kitchen.

Online meetings with Croydon Communities Consortium (26 respondents) and the Private Sector Landlord Forum (approximately 60 respondents).

<b><u>Comments</u></b>
<i>Closer partnership work needed/ Need to re-instate partners and Single Homeless Forum/ Need for the Council to engage with partners/. No Joint working with Council.</i>
<i>Greater presence of Homelessness staff during application process/re-instate floating Shelter/Street link not responding</i>
<i>Council not adhering to commitments.</i>
<i>Difficulty in contacting homelessness services for cases in need/. Difficulty in getting referrals to the Council/GP concern re response</i>
<i>Housing not involved in strategic partnerships. /Need for preventative approach to homeless to curtail hospital stays</i>
<i>Lack of responsiveness by the Council-it is estimated 90% of patients require housing. /Cost of failing to discharge amounting to 1.2 million a year for NHS/Develop</i>

<i>mental health/single homeless pathways into housing. /Impact of Afghan refugee situation</i>
<i>Single homeless cases not being accepted/responded to by the Council</i>
<i>Not sufficiently linked in with Council contacts in terms of referring cases or for SWEP cases</i>
<i>Work with the Council to improve housing supply/Improve empty properties</i>
<i>Issues in terms of service provision for those housed in temporary accommodation</i>

## **2. Survey Consultation Report - 188 respondents**

In the tables below comments are either paraphrased or direct comments quoted (i.e. with speech marks.)

**Priority One: Deliver good and responsive service to all those who require it.**  
This was not included in the survey but inserted as an outcome following feedback that was received.

**See Section 3 – Change No 4**

**Priority Two: Prevent homelessness and provide relief efficiently where it occurs.**

**To what extent do you agree with this priority?**

- Strongly agree or agree: 94%
- Strongly disagree or disagree: 2%
- Neither agree nor disagree or don't know: 4%

**Comments received on this objective.**

<b>Area of concern.</b>	<b>No. of text responses</b>	<b>Comments</b>
<i>Street homelessness</i>	<i>16</i>	<i>75% registering concern and 25% calling for stronger action against ASB</i>
<i>Council response</i>	<i>10</i>	<i>Too complex/confusing/unresponsive /Not accessible/Gap in dealing with residents with complex needs/Acting as a 'gatekeeper'</i>
<i>Strategy</i>	<i>2</i>	<i>No strategy or joined up working</i>
<i>Housing Supply/Insufficient resources</i>	<i>7</i>	<i>More affordable homes/Use Vacant office space /' Stop Taking on other Boroughs homeless.</i>
<i>Prevention of homelessness</i>	<i>2</i>	<i>Not working/Impact on children</i>

**Priority Three: Reduce reliance on the use of temporary accommodation.**

**To what extent do you agree with this priority?**

- Strongly agree or agree: 94 %
- Strongly disagree or disagree 3%
- Neither agree nor disagree or don't know: 3%

*Comments received.*

<b>Area of Concern.</b>	<b>No of text responses</b>	<b>Comments</b>
<i>'Need for stable homes as well as temporary'/'More social homes needed'</i>	11	<i>Need to focus on both/ Build complexes of temporary accommodation/Buy hostels</i>
<i>'Provide less service'</i>	2	<i>The problem will persist whatever the investment</i>
<i>'Homeless not part of the community'/'Mental health impact'</i>	1	<i>Lack of long-term housing affects mental health</i>
<i>'Speed of investigation'</i>	1	<i>Poor case management</i>
<i>'Better use of existing stock'</i>	1	<i>Use of Brick-by-Brick properties</i>

**Priority Four: Providing services to rough sleepers.**

**To what extent do you agree with this priority?**

- Strongly agree or agree: 79%
- Strongly disagree or disagree-15%
- Neither agree nor disagree or don't know: 6%

<b>Area of concern</b>	<b>No. of text responses</b>	<b>Comments</b>
<i>Withdrawing support</i>	12	<i>'Review support offer after refusal'/ Stop begging/Deal with ASB. 'Force them into accommodation'/ 'Leave them on the street'.  '15% a high number-withdraw support but provide right accommodation' /'Nobody should prefer to be on the Street'/'Impact on businesses.'</i>
<i>Reasons Rough sleepers refuse accommodation</i>	15	<i>Linking rough sleeping with ASB-not always the case/Complex reasons/People not feeling safe in hostels/Mental health</i>



		<i>support needs/Lack of outreach/More Tailored services/Decent housing solutions needed.</i>
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**Priority Five: Managing our stock and encouraging new affordable and social housing.**

**To what extent do you agree with this priority?**

- Strongly agree or agree: 87%
- Strongly disagree or disagree: 9%
- Neither agree nor disagree or don't know: 4%

*Comments received.*

<b>Area of Concern</b>	<b>No of text responses</b>	<b>Comments</b>
<i>Temporary accommodation</i>	6	<i>'Too many hostels and HMOs in Croydon'/ 'Closer monitoring of HMO's'/ 'New blocks appear empty-should be powers to occupy after 6 months'/ 'Protect people from dodgy private renters.'</i>
<i>Maintaining housing supply</i>	6	<i>'Investigate those who do not look after properties' /maintenance of affordable homes/ 'Properties should be let more swiftly'</i>
<i>Provide new homes</i>	6	<i>Need to build affordable housing/ More social as opposed to affordable housing.  'Avoid ill thought-out infrastructure'.</i>
<i>Opposing new homes in Croydon</i>	5	<i>'Everyone should provide for themselves'/ Rehouse out of London-Croydon is overcrowded/ Plan reduction of people in Croydon</i>

**Priority Six: Partnership working.**

**To what extent do you agree with this priority?**

- Strongly agree or agree: 87%
- Strongly disagree or disagree: 11%
- Neither agree nor disagree or don't know: 2%

<b>Area of Concern</b>	<b>No of text responses</b>	<b>Comments</b>
<i>Partnership working</i>	9	<i>'Disabled people No 1 Priority'/ 'Invest more in mental health and social care'/ Multi-agency approach</i>
<i>Against approach</i>	2	<i>'Council should not transfer their responsibilities to the Private Sector'</i>

### **Other Issues/ Further Issues raised in Housing Strategy consultation.**

The Survey offered the chance for responders to provide any further comments they wish to comment on. There was a total of 86 messages left many of which touched upon the priorities listed above. Listed below are comments not fully covered under the previous questions as well as issues raised in the Housing Strategy consultation.

<b>Subject</b>	<b>Comments</b>
<i>Respect for residents/Relationship building</i>	<i>Improve relationship with Key providers/ 'No suitcases here'- signposting disrespectful/ Staff -training on treating people with dignity/ Improve relationship with the newly homeless/ 'Involve residents in key issues'/ Lack of response from service/'Can never get through'/ 'People cannot get on waiting list'</i>
<i>Support</i>	<i>Tackle health inequalities/More support needed. Rise in Mental Health/Physical health/Drugs issues/ Improve social care initiatives/collaboration with health services/Increase in young homeless</i>
<i>Private Sector residents</i>	<i>'Stop No fault evictions'/ 'Prevent Families going through the Court process'. Early intervention to avoid eviction. /'Tackle rogue Private Landlords'/Impose Rent control in the Private Sector/ 'Do not jeopardise supply of homes by imposing Landlord Licencing'/ No follow up after Council Private Sector Team Inspection</i>
<i>Housing Supply</i>	<i>More homes for Single homeless/ 'Enforce downsizing for those under-occupying'/ 'Means test provision of social housing'/ 'Refurbish existing property'/ 'Need to increase not maintain stock.' /Stop RTB/'Use prefab housing'/ 'Too many empty properties'/ Buyback Council properties/More development needed/'Not enough social housing'/Need for more family size homes/'Use old garage sites'/New homes not affordable/Use prefab housing.</i>

## **Responses from those who have experienced homelessness.**

When asked of the 188 respondents.

- 18% (34 respondents) had experienced homelessness, rough sleeping or have been at risk of homelessness with 82% having no such experience.

### ***A sample of the comments received.***

*'When you are homeless, there are normally a range of other psychological issues you are facing. Mental Health, Other Psychotic Issues, Alcohol dependency. Drug Dependency, Personality disorders. someone should be there to support/ help you'.*

*'Council support was not as helpful as needed. Offered rehousing in entirely different area of England at critical points of childhood. House was not fit for purpose. Temporary stay accommodation condition was in West Croydon and in terrible condition which worsened the experience for children'.*

*'I didn't feel supported, staff were very abrupt. Not what you need when you're in a vulnerable position. Passed from team to team with not much information. Told one thing by one team and a different thing by the next team. No support with finding private renting as the eligibility criteria is hard'.*

## **3. Changes to the draft priorities and objectives following engagement and consultation with residents and voluntary Organisations.**

### **CHANGE NO 1**

#### **Priority Three: \_Reduce the reliance on the use of temporary accommodation**

With the levels of homelessness rising in London by 14% over the last year, these changes apply caution to the aspiration to lower the numbers of people living in temporary accommodation.

### **CHANGE NO 2**

#### **Priority Four: Providing services to rough sleepers.**

This involved changes to wording around tackling anti-social behaviour. Representations received stated that there were many reasons that people remained 'in a revolving door' of homelessness and this does not necessarily infer anti-social behaviour. Additionally, it should not always be assumed that the anti-social behaviour is from rough sleepers. However, there was also requests from respondents that the Council should act on persistent anti-social behaviour from rough sleepers.

### **CHANGE NO 3**

**Priority Four: Managing our stock and encouraging new affordable and social housing.**

This change was influenced by responses received during the Housing Strategy consultation around providing more affordable accommodation. This was also reflected in the final objectives of the Housing Strategy

**CHANGES NO 4**

Many representations from residents were received with regards to a lack of customer care and responsiveness in the Housing Needs and Homelessness service. Given the commitment to Service Excellence in the Mayor's Business Plan and the Housing Strategy a specific priority with regards to embedding these principles will be contained in the final objectives.

**CHANGE NO 5**

Removed "partnership working" and replaced with "*Re-instate partnerships with the Voluntary and Statutory Sector and deliver a more integrated approach to reducing homelessness*"

Comments received about need for proactive action to reducing homelessness.

## LONDON BOROUGH OF CROYDON

<b>REPORT:</b>	<b>CABINET</b>	
<b>DATE OF DECISION</b>	<b>24<sup>th</sup> April 2024</b>	
<b>REPORT TITLE:</b>	<b>NEC Housing System Implementation - Continuation Phase / Business Case</b>	
<b>CORPORATE DIRECTOR</b>	<b>Susmita Sen, Corporate Director of Housing</b>	
<b>LEAD OFFICER:</b>	<b>David Mynors, NEC Project Lead Email: david.mynors@croydon.gov.uk Telephone: 07968497667</b>	
<b>LEAD MEMBER:</b>	<b>Councillor Lynne Hale, Statutory Deputy Mayor and Cabinet Member for Homes</b>	
<b>KEY DECISION?</b>	<b>Yes</b>	Decision Number: 0224H  REASON:  Decision incurs expenditure of more than £1,000,000
<b>CONTAINS EXEMPT INFORMATION?</b>	<b>NO</b>	Public
<b>WARDS AFFECTED:</b>	<b>All</b>	

### 1. SUMMARY OF REPORT

- 1.1** This report describes the background of the NEC Housing Implementation Project (NEC Project), the rationale for funding the second planned phase of the project and requests a one off draw down from HRA reserves to fund the second phase. Although the first phase of the implementation has been successfully completed, the benefits of process automation, workflow, fully integrated systems with a single view of the customer and improved management of compliance will only be realised by proceeding with the second (continuation) phase.
- 1.2** The total cost for the second phase of the NEC Project is £1.515m over 12 months. The added value of the NEC Housing system will be achieved during the second phase of the NEC Housing Implementation Project. The following service areas will be included in this phase:

- Compliance registers
- Health & safety equipment servicing
- Recording customer contact and case handling
- Online repair reporting diagnostic tool
- Disrepair process automation
- Enhanced Damp and Mould reporting
- Voids automation
- Workflow and task management
- Mobile working
- Asset management
- Choice based lettings
- Automated SMS

## **2. RECOMMENDATIONS**

For the reasons set out in the report, the Executive Mayor in Cabinet, is requested to approve the recommendation below:

- 2.1** To make a one off draw down from Housing Revenue Account reserves to fund:
- 2.1.1.** One off cost for interim technical specialists to deliver the planned 12-month continuation phase of the NEC Housing project for the year 2024/25 at a cost of £1.459m
  - 2.1.2.** Purchase of the NEC Risk module at a value of £56k bringing the total one off cost of £1.515m including the amount stated in 2.1.1.
- 2.2** To note that the portion of this project met by the General Fund is £156,000 in 2024/25 for the work done on Homelessness and Allocations.
- 2.3** To note that a permanent team for the ongoing improvements and internal support of the system is to be recruited.
- 2.4** To note that any contract related decisions will be made in accordance with the Tenders and Contracts Regulations and Public Contracts Regulations 2015.

## **3. REASONS FOR RECOMMENDATIONS**

- 3.1** The original project to procure and implement a Housing Management system to replace the OHMS system was initiated, in June 2016 however did not proceed effectively until May 2022 when the project was reinvigorated. The project incorporated change management to influence the culture of the Housing directorate, making sure that adequate records were maintained and putting in mechanisms and policies to administer a sophisticated software system, enabling a performance culture within the directorate.

**3.2** The core functionality of the NEC Housing system has gone live which has already moved the London Borough of Croydon (LBC) forward from the position of managing services on the previous, data driven, OHMS system that had been in place for over 20 years. This is only the first step towards taking full advantage of the capabilities of the new system. The initial implementation carried with it the risks of migrating to a new database and the exercise of introducing new ways of working to colleagues within the Council. The second phase does not carry the same risk as a system change but still requires embedding the new working practices within the organisation. Whilst the core system has been implemented, Phase 2 is required to realise the system benefits.

**3.3** Table 1 below outlines the timeline of Phase 1 of the NEC implementation project.

<b>Table 1 – NEC Phase 1 timeline</b>	
Requirements gathering for replacement Housing Management system commenced	June 2016
Commissioning of procurement of replacement Housing and IT Asset Management system	April 2017
Requirements document issued	October 2018
NEC Appointed as software supplier	November 2019

**3.4** NEC Housing was selected as the system to replace OHMS and NEC were engaged to provide the software. Please refer to (Housing and Housing Assets ICT Management System contract award decision 28/01/2020). An interim team of technical specialists were engaged to carry out the implementation.

**3.5** Progress was slow and engagement from the service departments was difficult to obtain since many managers and heads of service were focussed on day-to-day operations rather than on the strategic outcomes of the project to replace the main operational system for Housing. Teams were reliant on manual systems and a series of spreadsheets to support service delivery. The project team had to spend significant time on engaging with the potential service users to identify existing systems and processes. Progress was also hindered significantly by a lack of written procedures and process maps.

**3.6** In November 2022, a readiness review was conducted and a re-set occurred to the proposed go live date. The project was re-set to make it more business led rather than IT led and additional governance and project management measures were introduced. This resulted in the launch of NEC Housing, in June 2023, as a core product with the aim of delivering added benefits in a second phase. Table 2 below outlines the timeline of Phase 1 after the project re-set.

<b>Table 2 - Project re-set</b>	
NEC Housing readiness review held and project governance re-set	November 2022
NEC contract extension for next three years taken up	March 2023
NEC Housing core modules live	June 2023
New repair contractor mobilisation and automation	August 2023
Housing Online resident portal live	December 2023

## PHASE 1 OUTCOMES DELIVERED

- 3.7** This project was designed to consolidate and migrate data from the original OHMS housing management system, the Temporary and Emergency Accommodation (TEA) system, Choice Based Lettings, the Apex Asset Management systems and to benefit from the additional functionality of a modern IT system. The first phase was to complete the migration to the new system whilst the second phase was planned to add value to the core system and exploit the capabilities of NEC Housing fully. The previous Housing Management system had no automated interfaces between the rents, repairs or service charges modules and the corporate finance system or any interface to the repairs contractors' job scheduling systems.
- 3.8** In late May 2023, the existing Housing Management computer system, OHMS, was set to read only and in June 2023, the core modules of the new NEC Housing Management system went live after an exhaustive design, configuration and testing exercise.
- 3.9** The following NEC Housing service areas went live in June 2023:
- Allocations and Lettings
  - Placements, Housing Advice and Temporary Accommodation
  - Rents
  - Service charges
  - Repairs
  - Planned Maintenance
  - Asset Management
  - Voids
- 3.10** NEC Housing, now provides a single set of customer information and a core property register with the following new interfaces:
- |             |   |  |
|-------------|---|--|
| NEC Housing | ↔ | Wates, Mears, K&T Job schedulers       |
| NEC Housing | → | LBC Oracle Financials, Rents           |
| NEC Housing | → | LBC Oracle Financials, Service Charges |
| NEC Housing | → | LBC Oracle Financials, Repairs         |
| NEC Housing | ↔ | LBC Revenues and Benefits              |
- 3.11** Information in NEC Housing is much more visible and the following reporting dashboards have been launched: Finance; rents; allocations; lettings; housing needs; property purchase and voids along with a suite of repairs reports. Phase 2 of the project will see dashboards on Compliance (Health & Safety indicators) and Tenancy.
- 3.12** NEC Housing now communicates directly with the main repair contractor systems, passing works order information and status updates between LBC, Wates, Mears and K&T. This means that repairs requested by residents are immediately visible to the appropriate contractor and progress can easily be tracked.
- 3.13** NEC Housing has highlighted long-standing issues with data accuracy or missing data. This allows the Housing directorate to analyse information, correct data and rely on the reports that are being presented to them. The migration from the previous IT system provided the opportunity to reconcile data and Phase 2 will continue to build on this



work. NEC Housing also incorporates rigorous data validation routines so that once data is correct, it is much easier to maintain it to a higher standard.

- 3.14** Returns to the Department for Levelling Up, Housing and Communities (DLUHC) reporting homelessness are now automated via NEC Housing but the service still needs to complete a data cleansing exercise to ensure accuracy.
- 3.15** The resident portal (Housing Online) went live in December 2023, where customers can register and apply as Homeless and apply for accommodation or request a transfer. Tenants can update their contact details, view repairs, view rent account details and statements, make payments and apply to purchase their rented property.
- 3.16** The new Housing Management system has a new additional module that allows officers to manage Service Charges within the system.
- 3.17** The original procurement of NEC Housing included most modules that LBC needs to operate, so there is little requirement to purchase additional modules. This means that ongoing support of NEC Housing does not require significant capital expenditure and can largely be developed and configured by LBC, assuming the appropriate technical skills are maintained within the Council.

## **BUSINESS CASE - DETAILS**

- 3.18** NEC Housing is one of the most widely adopted Housing Management systems in the Housing sector with approximately 130 Councils and Registered Social Landlords (RSLs) operating the system. The market is led by around five suppliers of systems that support the functionality needed to deliver housing services. All these systems, including NEC Housing, provide a framework of building blocks that require a combination of consultancy services, from NEC, and technical expertise, provided by the Council, to construct a working solution that aligns with the policies, processes and working practices of the Council.
- 3.19** These Housing Management systems do not provide an “out of the box, plug and play” solution which is why a team of interim technical specialists was recruited to advise on system design and participate in design workshops with representatives from the service and from NEC, the software supplier. The outcomes of the design sessions were then converted into configurations and built by the interim technical specialists who conducted functional testing before releasing the system to the users to complete and sign off user acceptance testing. Each interim technical specialist has expertise in a certain module, such as Repairs, Financial interfaces or Rents and Service Charges.
- 3.20** One of the primary principles that the team work to, is that NEC Housing must be built within the NEC framework to ensure that it can be supported by NEC along with the terms of the contract and that there is no customisation to the standard system. Any deviation from this principle would contravene the support agreement and would potentially cause problems when the annual upgrades and fixes are applied by NEC.
- 3.21** The interim technical specialists have a full understanding of the Housing Services business model, its relative functionality with NEC Housing and technical knowledge of the NEC product and underlying data structures, combined with business analysis expertise. Individuals with this combination of competencies will have had extensive previous experience in NEC implementation projects, working for other Councils and RSLs across the UK and Ireland.
- 3.22** These specialists have worked on the first phase of the project to implement the core NEC system in June 2023 so already have an understanding of the LBC environment and the system setup and build. This team not only play a pivotal part in solution design but also provide second line support and an element of training to the service.
- 3.23** A system, such as NEC Housing, requires support and for the expertise to be retained within the organisation so a permanent team is being recruited, within the Housing directorate, to assume responsibility for “Application Support”. It is anticipated that this team will take at least six months to build because the skill sets required are highly sought after.
- 3.24** The permanent team will provide ongoing support and configuration expertise but will not immediately have the capacity, or knowledge of the Croydon processes or system build to deliver the second phase of the NEC Project. To provide continuity, adequate resource and a handover to a permanent team, current interim technical team members’ contracts are being extended for up to six months.

- 3.25** The Improvement and Assurance Panel (IAP) are supportive of Phase 2 of the NEC implementation. It is clear that the full implementation of NEC Housing is crucial if the Housing service is to enhance its record keeping. Many of the objectives outlined in the IAP exit strategy are underpinned by the NEC implementation in terms of managing housing stock, its condition and residents who live there.
- 3.26** The second phase of the NEC implementation will address risk mitigation in the areas that touch on compliance and safety. Management of Health & Safety work will be integrated with the main NEC system so that there is no reliance on spreadsheets to record and track performance. Automated returns to the regulators will be developed, reducing manual intervention and potential data inaccuracies as a result. NEC Housing will allow LBC to monitor the registers of the top six compliance areas:
- Gas
  - Asbestos
  - Fire
  - Electrical
  - Water Hygiene
  - Lifts
- 3.27** Effective monitoring of compliance areas will protect residents and satisfy regulatory requirements more robustly. LBC currently rely on a series of spreadsheets to manage these areas. This approach could expose the Council to reputational risk and sanctions from the Building Safety Regulator and the Health & Safety Executive. The initiatives in Phase 2 of the NEC project will enable the council to make the transition from manual systems to automated processes with event alerts and a full audit trail, using a far more robust management tool containing accurate and current data.
- 3.28** The first areas to address in Phase 2 are Gas Servicing and Asbestos. The potential risk of non-compliance also covers management of Building Safety, Damp and Mould and Disrepair, to be addressed through configuring the NEC task manager workflow module. NEC Housing will be set up to provide data, on the condition of properties, assisting officers to predict which properties may be susceptible to damp and mould.
- 3.29** To build on this new integrated solution with a single view of the customer, Phase 2 will provide workflow functionality to encourage much more collaborative working practices and improve inter-departmental communications and subsequently the communication with our residents. This will assist residents through the development of end to end processes, picking up work so that it doesn't get missed in the process. Staff will have all information to hand to complete work promptly and update customers, improving customer satisfaction and reducing complaints.
- 3.30** NEC Housing improves the visibility of information across services within Housing and also between Housing and other directorates such as Finance and Revenues & Benefits. A suite of reports and dashboards has already been developed but the second phase will expand on this suite so that Housing can become part of a much more performance focussed organisation.
- 3.31** The Homelessness Prevention Grant (HPG) is funding provided by DLUHC to all local housing authorities in England. The funding ensures local authorities are able to meet their duties under the Homelessness Prevention Act, including preventing

homelessness and accommodating homeless applicants. The purpose of the grant is to give local authorities control and flexibility in managing homelessness pressures and supporting those who are at risk of homelessness.

- 3.32** NEC Housing will provide timely and accurate data submissions of homelessness case levels (HCLIC data) thereby conforming grant conditions required by DLUHC allowing LBC to secure maximum grant entitlement.
- 3.33** NEC Housing has highlighted historical data inconsistencies and accuracy issues which are now being addressed ensuring that robust systems can be put in place.
- 3.34** On the 1st of April 2024 the Regulator of Social Housing (RSH) published details of four new Consumer Standards. The RSH has been clear that these standards define the outcomes that social housing landlords like Croydon Council must deliver for tenants, and it is on the outcomes that landlords will be judged. The RSH continues to highlight the fundamental importance of robust and up to date data on properties and tenants. Accurate records at an individual property level of the condition of stock inform:
- Compliance with essential Building Safety Act and Health & Safety legal requirements
  - Compliance with the Decent Homes Standard
  - Delivery of the Asset Management Strategy, repairs, maintenance and planned improvements
- 3.35** Updated and relevant tenant information is both an RSH requirement and an essential tool that will help the service interrogate the data to understand the diverse needs of tenants, including whether they have fair access to, and equitable outcomes of the service.
- 3.36** The introduction of workflow will present fewer opportunities for services to work in silos and will create efficiency savings, through improved communication and collaboration between departments and with other LBC directorates. Managers and supervisors will be able to track cases to ensure that all customer cases are followed up and not lost in the event of absence or workload peaks.
- 3.37** The NEC solution is intended to ensure visibility of LBC's operational, financial and legal position on disrepair claims and manage them more effectively and efficiently to ensure compliance with various legislation and improve services for residents. Cost savings will come from a much reduced risk of having a backlog of claims, as is currently the case, and officers will have visibility of the true number. The longer a claim is outstanding, the higher the legal costs and the value of the claim. There is currently a backlog of over 550 open disrepair claims and a plan in place with partnering contractors to resolve these cases by 31/03/25. Introducing the disrepair workflow in NEC will support the achievement of the above target and the aim of resolving new cases within an eight week time frame thereby reducing the total cost of the claim.
- 3.38** The voids key to key process will be reviewed and an automated voids path designed and built. It is estimated that 700 voids are created each year and the new voids path will shorten the voids period by an average of 10 days. Savings can be realised by a reduction in Temporary Accommodation costs during this time.

- 3.39** The online repairs diagnostic tool will help residents to report repairs easily, guiding them through the process, resulting in a repair request being automatically generated and a choice of appointment slots being presented for selection. This will give the resident a choice of communications channel with LBC in addition to email and telephone, helping to reduce the number of repairs calls going through the contact centre. Conversations with other landlords have identified that calls have been reduced by up to 15% in the first year with an increase in this rate as residents and officers become more familiar with the new technology.
- 3.40** By consolidating disparate systems into NEC Housing, as well as benefitting from the single view of the customer, reducing data duplication and the need for reconciliation, there are cashable savings from reduction in licence fees for those products. Phase 2 will facilitate the monitoring, validation and cleansing of data. The system will be configured so that managers can develop accurate budgets with forecasts based on activity.
- 3.41** Phase 2 of the NEC project is a major part of the Housing Transformation Programme, putting customers first, delivering more efficient and timely services and ensuring that the Council's Health and Safety compliance obligations are met so that residents are safeguarded and the regulatory conditions are achieved.
- 3.42** Efficiency savings will be derived from the introduction of workflow across the Housing directorate and the automation of the voids path and through more effective management of disrepair. An automated rent arrears escalation policy will underpin the collection of rents and recovery of arrears. Phase 2 will ensure effective record keeping and reliable data that can be validated and audited. The delivery of a complete suite of information dashboards will also contribute to informed decision making and KPI automation. NEC Housing is a fundamental part of managing homelessness and making sure that the homelessness team can provide a fast and effective service.
- 3.43** The transfer of Apex, the previous stand-alone asset management system, into NEC Housing will be the final stage in reducing duplication of data and will bring efficiencies and eliminate the need for reconciling two sets of property information in two different databases. This means that visibility of a single set of information will be provided to all officers granted the appropriate viewing or editing rights to the data. The Apex contract has been extended for 2024/25 to allow for a smooth migration to NEC Housing. The annual saving on licence costs for Apex are £87,000 pa.
- 3.44** The second phase includes the migration from the Home Connections Choice Based Lettings (CBL) system to NEC CBL which will enhance the customer journey for customers applying for social housing managed by LBC. This will save the annual cost of £10,000 for licences to Home Connections along with the efficiency savings from the closer data integration that accompanies this move.
- 3.45** When the NEC mobile working solution is implemented, officers will be able to work remotely, within the community, without having to return to a fixed location to update their cases. This will start with repairs inspections but will roll out to estate inspections and tenancy visits. Consideration will be given to the corporate roll out of handheld devices and the dependency on that Council wide exercise.

- 3.46** The second phase of the project will set up the Housing Support Services module which will assist in creating support plans for residents. Officers will be able to record where LBC has assisted tenants in sustaining their tenancies, collecting positive outcomes, learning from them and benchmarking best practice.

## **4. ALTERNATIVE OPTIONS CONSIDERED**

- 4.1** Continue with the planned 12-month continuation phase (2) of the NEC Housing implementation project for the year 2024/25 to realise the benefits outlined in this report.
- 4.2** Do not continue with the second phase of the NEC Project. This will mean that none of the benefits of integration, workflow, mobile working or compliance will be achieved, so ongoing efficiencies will not be realised. With the inadequacies of the current compliance systems (reliance on spreadsheets and manual processes) this places LBC and residents at risk.
- 4.3** Continue with a less ambitious second phase of the NEC Project, reducing resources devoted to the project over a longer timescale than planned. The benefits to the Council and residents would be delayed and there would be exposure to compliance breaches over a longer time frame.

## **5. CONTRIBUTION TO EXECUTIVE MAYOR'S BUSINESS PLAN**

- 5.1** A primary function of NEC Housing is to support and facilitate the achievement of Outcome 4 "Croydon is a cleaner, safer and healthier place, a borough we're proud to call home". The Asset module implementation will underpin the management and decision-making process by informing on areas for investment in the drive towards better standards. Overall, efficiency improvements will help colleagues to develop a more responsive and effective housing service. The compliance and Health & Safety activities will contribute to ensuring that homes are safe.
- 5.2** The continuation of the NEC Project contributes to Outcome 1 of the Mayor's business plan, "The council balances its books, listens to residents and delivers good sustainable services". Specifically, NEC Housing controls ensure good governance is supported through control mechanisms such as adhering to designated spend limits assigned to different officer levels in the Council as prescribed by the Scheme of Financial Delegation. The design workshops and subsequent system configuration will provide a basis for embedding best practice, refining processes and documenting them.

## **6. IMPLICATIONS**

### **6.1 FINANCIAL IMPLICATIONS**

#### **6.1.1. Revenue and Capital consequences of report recommendation**

The total cost of £1.515m consists of, £1.459m of salary related for interim technical specialists and the purchase of the NEC Risk module £56k. The purchase of the Risk

module will be funded from HRA capital. The salary related costs are not capital and will be funded from revenue, of which £156k will be funded from the GF revenue housing budget and the remaining £1.303m from HRA.

The report sets out the requirement to fund the second phase of the project and to implement the upgrades required. There will be a requirement for a staffing budget to be established in 2025-26 to fund the ongoing NEC system and to develop the in-house expertise required to continue to support and maintain the NEC system and ensure its functionality is fully utilised.

Stringent monitoring of the budget and measurement of outcomes will be required to ensure best value for money on the implementation of Phase 2 outcomes and the embedding of the NEC system.

It is expected that the discontinuation of the Apex licence will result in a £87k cost saving other savings are yet to be quantified. However, there will be greater visibility on the expenditure and income streams as a result of the information and reporting capabilities of NEC Housing.

Comments approved by Orlagh Guarnori on behalf of the Director of Finance. (Date 09/04/2024)

## **6.2 LEGAL IMPLICATIONS**

**6.2.1** This report requests a draw down from HRA reserves, as set out in the recommendations. The Executive Mayor has the power to exercise executive functions pursuant to s9E of the Local Government Act 2000. In making decisions under this report, Members will need to be mindful of fiduciary duties.

**6.2.2** The implementation of the second phase of the NEC project will involve additional contract spend for existing contracts. Contract related decisions are governed by the Tenders and Contracts Regulations (as superseded by Executive Mayor's Scheme of Delegation following the introduction of the Mayoral Model) and shall comply with the Public Contracts Regulations 2015. As part of those contract related decisions, formal contract variations may be required.

**6.2.3** The Council is under a general Duty of Best Value to decide to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness (Section 3 of the Local Government Act 1999 (as amended by s137 of the Local Government & Public Involvement in Health Act 2007))

Comments approved by the Head of Commercial & Property Law on behalf of the Director of Legal Services and Monitoring Officer. (Date 10/04/2024)

## **6.3 EQUALITIES IMPLICATIONS**

**6.3.1** Under the Public Sector Equality Duty of the Equality Act 2010, decision makers must evidence consideration of any potential impacts of proposals on groups who share the protected characteristics, before decisions are taken. This includes any decisions

relating to how authorities act as employers; how they develop, evaluate and review policies; how they design, deliver and evaluate services, and also how they commission and procure services from others.

**6.3.2** Section 149 of the Act requires public bodies to have due regard to the need to:

- eliminate unlawful discrimination, harassment, victimisation and any other conduct prohibited by the Act.
- advance equality of opportunity between people who share a protected characteristic and people who do not share it; and
- foster good relations between people who share a protected characteristic and people who do not share it.

**6.3.3** There have been no direct or indirect negative impact identified within this report.

**6.3.4** Comments approved by Felisha Dussard Senior Communities Officer on behalf of Helen Reeves, Head of Strategy & Policy 21/03/2024.

## **6.4 IT IMPLICATIONS**

**6.4.1** The Second (Continuation) Phase will provide the Council with benefits of process automation, workflow, fully integrated systems with a single view of the customer and improved management of compliance, and much more.

**6.4.2** The Council now has a single set of customer information and a core property register with new interfaces between NEC Housing and the three main contractor job scheduling systems. New interfaces have also been built between NEC Housing, the Oracle Finance system and the Revenues and Benefits system.

**6.4.3** To develop collaborative working practices and improve inter-departmental communications and ultimately create efficiency savings, this second phase of the NEC project is required.

**6.4.4** Failure to provide a well-maintained Housing IT system would put the Council at high risk not being able to fulfil its statutory duties across housing services. The number of different components within the Housing IT system highlight the complexity of the solution.

**6.4.5** Comments approved Paul Golland, Chief Digital Officer - 02/04/2024

## **6.5 PROCUREMENT IMPLICATIONS**

**6.5.1** The NEC Housing IT system contract was entered into in 2021 and runs for 10 years comprising an initial term of 3 years and permitted extensions of 3yrs+3yrs+1yr, running to 2031 if all extensions are taken up.

**6.5.2** The original contract award value approved was £1.5m. The proposed contract variation to the NEC Housing IT system contract will increase the contract by a total of £56k over the remaining term of the contract. This amount is well within the Council Tenders and



Contract regulations and Public Contract Regulations thresholds and can be enacted under directors delegated authority under the scheme of delegation by means of a contract variation using the contract change control mechanism.

**6.5.3** Note that the Apex property asset management IT system contract will require a further, one year, extension to 2025 at a value of £75,000 (increasing total value to £379,000) subject to approval by the Procurement Board.

**6.5.4** Comments approved by Gerard Gough on behalf of the Director of Procurement (Date 27/03/2024)

## **OTHER IMPLICATIONS**

### **6.6 PROJECT RISKS**

**6.6.1** The primary operational risk is that customer facing aspects of NEC Housing do not match up to the expectations of residents. This could lead to reputational risk to the Council and a lack of resident uptake of online services, negating the benefits of providing a choice of communication preference to customers. This in turn will mean that reductions in contact centre call levels, with associated efficiency gains, will not materialise.

**6.6.2** The impact of this risk is 3 but likelihood is 2, so it is assigned a moderate risk level. To mitigate this risk, the new resident portal will be demonstrated to resident panels in a series of workshops and feedback obtained from the residents on the customer journey. Opinions will be sought on improvements that the resident or Council officers might recommend. Any changes to the resident portal will be subject to resident consultation and rigorous testing completed before any updates are made. Partner organisations such as Mind will further be consulted, through direct engagement and workshops, on the online application process for Homelessness.

**6.6.3** The second risk is the lack of engagement from the service departments within the Housing directorate, due to a reluctance to adopt new ways of working or a lack of appropriate resources to participate in the design of the new solutions. This may lead to delays in the implementation of the project or delivery of a system that does not meet the requirements of the service.

**6.6.4** The impact of this risk is 2 and likelihood is 3, resulting in a moderate risk level. Mitigation of this risk will be by identifying volunteer subject matter experts within each service and providing backfilled posts to release those individuals to focus on project delivery.

## **7. APPENDICES**

**7.1** Appendix A – Outline Phase 2 Deliverables

## **8. BACKGROUND DOCUMENTS**

8.1 Housing and Housing Assets ICT Management System Contract award report – Contains Part A information, but also contains Part B / Exempt Information (i.e., would be restricted upon request, due to commercial confidentiality).

9. **URGENCY**

9.1 Not applicable.

NEC Phase2 Deliverables 2024/25		
Functionality/Theme	Anticipated Start	Anticipated Go Live
Asbestos Register	Dec-23	Apr-24
Audit module	Jan-24	Apr-24
Gas servicing	Dec-23	Apr-24
SMS	Feb-24	Apr-24
Letters - Service Charges; RTB	Feb-24	Apr-24
RepairFinder	Aug-23	Apr-24
Housing Online - Resident Surveys	Mar-24	Apr-24
InterFinder	Jan-24	May-24
HoL - Service Charges	Feb-24	May-24
Disrepair	Mar-24	Jun-24
Voids automation	Feb-24	Jun-24
Energy Integration	Apr-24	Jun-24
Protected characteristics added to key details.	Feb-24	Jun-24
Automated email alerts	Apr-24	Jun-24

Functionality/Theme	Anticipated Start	Anticipated Go Live
Building Safety	May-24	Jun-24
Document management	Oct-23	Jul-24
Asset Management system - New elements	Apr-24	Aug-24
Choice Based Lettings (CBL)	May-24	Oct-24
NEC Mobile Repair inspections	Ju24	Oct-24
Other compliance activities.	Feb-24	Nov-24
Recording of customer contact (CRM)	Mar-24	Dec-24
Housing Support Services	Jun-24	Dec-24
Data Archiving OHMS	Feb-24	Dec-24
Process automation: Repairs, Rent Arrears etc.	Apr-24	Mar-25

## LONDON BOROUGH OF CROYDON

<b>REPORT:</b>	<b>CABINET</b>		
<b>DATE OF DECISION</b>	<b>24 April 2024</b>		
<b>REPORT TITLE:</b>	<b>2023-24 Period 10 Financial Performance Report</b>		
<b>CORPORATE DIRECTOR</b>	<b>Jane West Corporate Director of Resources (Section 151 Officer)</b>		
<b>LEAD OFFICER:</b>	<b>Allister Bannin, Director of Finance (Deputy S151)</b>		
<b>LEAD MEMBER:</b>	<b>Cllr Jason Cummings, Cabinet Member for Finance</b>		
<b>KEY DECISION?</b>	<b>No</b>	<b>Reason: N/A</b>	
<b>CONTAINS EXEMPT INFORMATION?</b>	<b>No</b>	<b>Public Grounds for the exemption: N/A</b>	
<b>WARDS AFFECTED:</b>	<b>All</b>		

### 1 SUMMARY OF REPORT

- 1.1 This report provides the Council's financial performance as at Period 10 (January 2024) for the General Fund, Housing Revenue Account (HRA) and the Capital Programme. The report forms part of the Council's financial management process for publicly reporting financial performance on a monthly basis.

#### Financial Performance Summary Table

Financial Performance Area	2023-24 Revised Budget (£m)	2023-24 Forecast (£m)	2023-24 Forecast Variance (£m)	2023-24 Forecast Variance (%)
Revenue Forecast (General Fund)	340.9	339.6	(1.3)	(0.4%)
Revenue Forecast (Housing Revenue Account)	-	12.0	12.0	N/A
Capital Forecast (General Fund)	124.0	100.7	(23.2)	(18.7%)
Capital Forecast (Housing Revenue Account)	39.2	41.0	1.8	4.6%

## 2 RECOMMENDATIONS

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

- 2.1** to note the General Fund revenue budget outturn is forecast to underspend by £1.3m at Period 10, after the budgeted utilisation of £63m capitalisation directions requested from DLUHC.
- 2.2** to note the progress in Medium Term Financial Strategy (MTFS) savings achievement of £32.4m (89.8%) against the total savings target of £36.1m as set out in paragraph 4.106.
- 2.3** to note the work that has commenced on the Council's Transformation Programme as set out from paragraph 4.101.
- 2.4** to note the Housing Revenue Account (HRA) revenue budget outturn is forecast to overspend by £12.0m.
- 2.5** to note the General Fund capital programme 2023-24 forecast underspend of £23.2m against the capital budget of £124.0m.
- 2.6** to note the HRA capital programme 2023-24 forecast overspend of £1.8m against the capital budget of £39.2m.
- 2.7** to note the Council's historic borrowing and subsequent debt burden continues to be critical to the non-sustainability of the Council's revenue budget. Dialogue with the Department for Levelling Up, Housing and Communities (DLUHC) continues, and the Council is seeking further financial support from Government in regard to its level of structural indebtedness to ensure it can deliver sustainable Local Government services.
- 2.8** to note that the Council continues to operate Spend Control Panels to ensure that tight financial control and assurance oversight are maintained.
- 2.9** to note that current forecasts are based on the best available information at the time and will be subject to review and change during the financial year.

### **3 REASONS FOR RECOMMENDATIONS**

- 3.1** The Financial Performance Report is presented monthly to Cabinet 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 (HRA) and Capital Programme. The Financial Performance Report ensures there is transparency in the financial position, and enables scrutiny by the Executive Mayor, Cabinet, Scrutiny & Overview Committee and the public. It offers reassurance regarding the commitment by Chief Officers to more effective financial management and discipline.

### **4 BACKGROUND AND DETAILS**

- 4.1** The 2023-24 budget approved by Council in March 2023 set a net revenue budget of £340.9m. This required capitalisation directions from Government of £63m to balance, owing to resolving historical inaccurate accounting treatments and to fund the ongoing annual cost of servicing the disproportionate level of debt.
- 4.2** The Council's historic legacy borrowing and debt burden continues to be critical to the non-sustainability of the Council's revenue budget.

#### **Cost of Living Considerations**

- 4.3** There are a number of inflationary pressures that the Council, like all local authorities, is managing. The UK's Consumer Prices Index (CPI) inflation rate was 4.0% in the 12 months to January 2024, remaining higher than the Bank of England's target rate of 2% albeit reduced from the peak of 11.1% in October 2022. The inflationary impact goes beyond the Council as the cost of living is affecting all households and businesses.
- 4.4** 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.
- 4.5** 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.
- 4.6** The Council provides a wide range of support for residents that may be struggling owing to cost of living pressures. These include:
- Discretionary support for residents in financial hardship, including the Household Support Fund
  - Council Tax Support Scheme – for residents on a low income or in receipt of benefits, Council Tax bills could be reduced by up to 100%
  - Council Tax Hardship Fund (supporting low income households that cannot afford to pay their full increase in Council Tax)

- Housing Revenue Account (HRA) discretionary fund targeted for tenants that are not in receipt of housing benefit
- Benefits calculator, to ensure residents receive the support to which they are entitled
- Energy advice, including heating and money saving options, through the Croydon Healthy Homes service
- Free holiday activity clubs with healthy meals for children
- Croydon Works to help residents into employment or to receive training to support them into work and funding of the voluntary sector to provide advice and guidance

**4.7** 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 which offers affordable ways to manage money, including savings accounts and loans

## GENERAL FUND REVENUE BUDGET SUMMARY

**4.8** The General Fund revenue forecast outturn shows an overall underspend of £1.3m, however this is following the budgeted utilisation of the £63m capitalisation directions requested from DLUHC. Although the current overall forecast does not utilise the risk contingency budget, individual service directorates in an overspend position will work to bring their positions within budget as well.

**Table showing the revenue forecasts by Directorate**

Directorate	Net Budget (£m)	Actuals to Date (£m)	Forecast (£m)	Forecast Variance (£m)	Prior Month Forecast Variance (£m)	Change in Forecast Variance (£m)
Adult Social Care and Health	140.8	125.6	139.0	(1.8)	(1.5)	(0.3)
Assistant Chief Executive	43.8	16.8	42.4	(1.4)	(1.2)	(0.2)
Children, Young People and Education	101.4	70.8	103.5	2.1	4.1	(2.0)
Housing	23.9	28.0	27.4	3.5	-	3.5
Resources	38.3	151.3	35.2	(3.1)	(2.9)	(0.2)
Sustainable Communities, Regeneration & Economic Recovery	73.9	66.6	73.3	(0.6)	-	(0.6)
<b>Subtotal Service Directorates</b>	<b>422.1</b>	<b>459.1</b>	<b>420.8</b>	<b>(1.3)</b>	<b>(1.5)</b>	<b>0.2</b>
Corporate Items and Funding	(81.2)	(30.2)	(81.2)	-	-	-
<b>Total Net Expenditure Budget</b>	<b>340.9</b>	<b>428.9</b>	<b>339.6</b>	<b>(1.3)</b>	<b>(1.5)</b>	<b>0.2</b>



- 4.9** Work will continue through to the end of the year to manage those areas with forecast overspends to ensure the Council remains within budget.
- 4.10** The Council continues to build on the improvements in financial management that were made in the last financial year. However, there is a considerable amount yet to do, which is fully recognised within the organisation.
- 4.11** A financial assurance process and independent challenge of expenditure and income takes place. This is in addition to Cabinet and Scrutiny & Overview Committee review. The assurance meetings 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, and ensure that savings are delivered and income targets are met. The meetings ensure the Council is doing all it can to reduce overspends and deliver a balanced budget.

## DIRECTORATE VARIANCES

### ADULT SOCIAL CARE AND HEALTH (ASCH)

Division	Net Budget (£m)	Actuals to Date (£m)	Forecast (£m)	Forecast Variance (£m)
Adult Social Care Operations	122.0	124.0	121.5	(0.5)
Adult Strategic Commissioning, Policy & Improvement	16.9	(0.1)	15.6	(1.3)
Central ASCH	1.9	1.7	1.9	-
<b>Total ASCH</b>	<b>140.8</b>	<b>125.6</b>	<b>139.0</b>	<b>(1.8)</b>

- 4.12** At period 10 the ASCH directorate has a forecast underspend of £1.8m (1.3%) against a budget of £140.8m which is an improvement of £0.3m from period 9.
- 4.13** The ASCH Directorate will successfully deliver the challenging savings targets totalling circa £10m to deliver in 2023-24 on placements and care packages through demand management, commissioning and review of care packages.

#### Adult Social Care Operations - Forecast underspend of (£0.5m)

- 4.14** Staffing across this division demonstrates a forecast underspend (broken down by area below) owing to periods of vacancy above the £1m MTFS 5% vacancy factor saving applied to staffing budgets in 2023-24. There is a national shortage of both social workers and occupational therapists and recruitment to many roles is proving challenging. The staffing underspend is reduced by the need to employ agency social workers and occupational therapists to ensure statutory duties are met and that transformation is delivered.
- 4.15** Localities and Living Independently For Everyone (LIFE) have an underspend of (£1.6m), a favourable movement of (£0.1m), owing to a net underspending on care of (£0.9m) and staffing (excluding agency) of (£0.8m), partially offset by an overspend

on equipment costs of £0.1m. LIFE includes integrated hospital discharge, rehabilitation and reablement services.

- 4.16** Working Age Adults and Transitions has an overspend of £3.7m. This comprises an overspend on care of £4.1m (owing to clients with increased care needs) which is partly mitigated by an underspend in staffing of (£0.4m). The service is managing demand to reduce pressures coming into the service and this is estimated to have resulted in a positive impact on the forecast of circa £2m. The service has achieved its savings of £5.3m.
- 4.17** Provider Services has a (£1.5m) forecast underspend on staffing owing to vacancies.
- 4.18** Safeguarding service has a (£0.3m) forecast underspend on staffing owing to vacancies across the service.
- 4.19** Business Compliance and Early Intervention has a (£0.1m) forecast underspend on staffing owing to vacancies.
- 4.20** Mental health services have a (£0.7m) forecast underspend owing to vacancies (£0.6m) and the application of external discharge funding (£0.1m).

Adult Social Care Commissioning, Policy and Improvement – Forecast underspend of (£1.3m)

- 4.21** The Commissioning, Policy and Improvement division is forecasting an underspend of (£1.3m) owing to staffing vacancies and minor contract underspends. This is a favourable improvement of (£0.2m) following successful negotiations with a key provider.

Central ASCH – Forecast breakeven position

- 4.22** This area is forecast to breakeven against the budget for central staffing and non-pay budgets.

**4.23** Risks

Risks continue in the provider market from inflation including higher fuel, labour and property costs which may result in claims for increased fees and/or financial instability with the potential for 'handing back' contracts. The potential reprovisioning costs if providers exit the market could be significant. At this point in the year, although these risks are still valid, the impact arising will be felt next financial year.

**4.24** Opportunities

Savings achievement will continue to support the forecast outturn for the ASCH directorate.

## ASSISTANT CHIEF EXECUTIVE (ACE)

Division	Net Budget (£m)	Actuals to Date (£m)	Forecast (£m)	Forecast Variance (£m)
Policy, Programmes and Performance	5.2	4.2	4.7	(0.5)
Elections Service	0.4	0.1	0.4	-
Croydon Digital and Resident Access	33.6	22.5	33.0	(0.6)
Chief People Officer	3.9	2.9	3.6	(0.3)
Central ACE	0.7	0.8	0.7	-
Covid Grants	-	0.1	-	-
<b>Total ACE (General Fund)</b>	<b>43.8</b>	<b>30.6</b>	<b>42.4</b>	<b>(1.4)</b>
<b>Public Health Grant Ringfenced Services</b>	-	<b>(13.8)</b>	-	-

**4.25** At period 10, the ACE directorate has a General Fund forecast underspend of £1.4m (3.2%) against a budget of £43.8m.

Policy, Programmes & Performance Division - £0.5m forecast underspend

**4.26** Recruitment is now completed into the new staffing structure for the Policy, Programmes and Performance Division. The forecast underspend is owing to periods of vacancy of some posts in the new structure and more recent vacancies as part of business as usual.

Elections Service - breakeven position

**4.27** There is a breakeven forecast against budget for the Council's core Elections Service. There is an intention to establish a reserve based on any additional underspends beyond Period 9 to mitigate known additional costs in 2024-25.

Croydon Digital and Resident Access Division - £0.6m forecast underspend

**4.28** Higher than expected income in the Bereavement and Registrars service has led to an in-year forecast income over-achievement. The Concessionary Travel and Travel Service Team are forecasting an underspend owing to staff vacancies and a favourable final concessionary travel settlement for the year. Contact Centre and the Complaints Team have staffing underspends owing to staff vacancies. Digital operations are forecasting an underspend owing to staffing vacancies and reductions in contract expenditure.

Chief People Officer Division - £0.3m forecast underspend

**4.29** Staffing related underspends and lower than expected training expenditure is offsetting the overspend in the payroll service owing to the delay in the restructure of the team. The payroll team restructure was completed in December 2023 and the headcount of the payroll team reduced as a result.

Central Assistant Chief Executive – breakeven position

- 4.30** There is a breakeven forecast against budget for the Central Assistant Chief Executive area.

Public Health Division – breakeven position in ringfenced grant after movement in reserves

- 4.31** It is currently forecast that Public Health will contribute £3.8m to ring fenced Public Health reserves at the end of 2023-24.
- 4.32** A Council wide task and finish group was set up in July 2023 to address under-allocation of the Public Health Grant for the current year, and the accumulated balance on the balance sheet as an earmarked Public Health reserve from underspends in previous years.
- 4.33** Work has been ongoing this year to identify areas of additional allocation of grant. A revised investment plan is due to be presented by the Director of Public Health to the Corporate Management Team in April 2024 which will set out investments agreed to date, and future potential investment in public health services and activities. This will ensure that grant is fully allocated for 2024-25 and future years.

**4.34** Risks

Elections - The majority of the costs of administering the London Assembly, Mayor of London, and a potential General Election, in 2024 will be reclaimed from the Greater London Authority (GLA) and the UK Government's Consolidated Fund. As the criteria for reclaiming costs becomes clearer, there is a risk that the Council will incur costs which cannot be reclaimed which would need to be funded corporately. Any such costs will fall in the 2024-25 financial year.

**4.35** Opportunities

There are no opportunities to report on at this time for the ACE directorate.

## CHILDREN, YOUNG PEOPLE AND EDUCATION (CYPE)

Division	Net Budget (£m)	Actuals to Date (£m)	Forecast (£m)	Forecast Variance (£m)
Children's Social Care	76.0	58.4	77.8	1.8
Unaccompanied Asylum-Seeking Children (UASC) and UASC Care Leavers	(0.3)	5.3	0.0	0.3
Asylum Seekers and Homes for Ukraine	-	(6.8)	-	-
Quality, Commissioning and Performance Improvement	7.6	4.9	7.7	0.1
Non-DSG Education Services	17.6	8.6	17.5	(0.1)
Central CYPE	0.5	0.4	0.5	-
<b>Total CYPE (General Fund)</b>	<b>101.4</b>	<b>70.8</b>	<b>103.5</b>	<b>2.1</b>
<b>Dedicated Schools Grant (DSG) High Needs Education Services</b>	<b>82.0</b>	<b>66.5</b>	<b>82.7</b>	<b>0.7</b>
<b>Dedicated Schools Grant (DSG) Early Years Block</b>	<b>31.1</b>	<b>29.1</b>	<b>31.1</b>	<b>-</b>

**4.36** At period 10, the CYPE directorate has a General Fund forecast overspend of £2.1m (2.1%) against a budget of £101.4m. This is a favourable movement of £2.0m since period 9.

### Children's Social Care Division – forecast overspend of £2.1m (including UASC and UASC Care Leavers)

£3.4m placements overspend owing to ten (7 active, 3 ended) high-cost placements including residential, semi-independent and secure accommodation. Four of these high-cost placements are new in the current year. Whilst the number of children in care has continued on a downward trend, unit costs for residential and semi-independent placements have risen at a faster rate e.g. the number of residential placements increased by 17%, but the full year costs for these increased by 54%.

High-cost placements are reviewed on a weekly basis with the aim of reducing spend and stepping down to family-based care with support where possible. There are a small number of children with very complex needs where the high costs of care make up a significant proportion of the overall placement budget.

£2.0m staffing underspend which has been identified following a deep dive into the staffing establishment across the Children Social Care Division. This deep dive has enabled more accurate forecasting now that the 2023-24 pay award has been applied through payroll, backdated to April 2023 in December 2023 payroll, and the January 2024 salary payments now give an accurate view of the costs for remaining months.

The staffing underspend represents the national and regional difficulties in recruitment of qualified social workers. The service utilises agency social workers as necessary to ensure that services are provided safely in line with statutory responsibilities, however there are gaps between starters and leavers and some roles that are particularly challenging to fill. The service has continued in 2023-24 with specialist recruitment methods such as welcome bonus payments, links with the local Teaching Partnership, fast-track training programmes of frontline and step up to

social work, work with an established international recruitment partner, membership of London Social Work for Children (online recruitment platform) and specialist press advertising.

The Council also has a retention package for Children Social Work qualified staff which includes twice annual retention bonuses, an established career progression scheme and a comprehensive training and development programme.

Transformation projects are not affected by the recruitment difficulties of social work staff as the projects utilise non-social work qualified staff with specialisms in project management, partnership working for Corporate Parenting responsibilities, improving housing for Care Experienced Young People, improving the foster care offer and digital developments.

£0.3m under-achievement in income (including £0.5m unachieved 2022-23 MTFS NHS Funding savings which have been partially offset through other income).

£0.1m forecast overspend on Adopt London South, over and above the agreed budget owing to interagency fees and staffing costs across the consortium calculated at year end.

£0.3m overspend in the Unaccompanied Asylum-Seeking Children (UASC) budget because of the disproportionate number of care experienced young people who were formerly unaccompanied children. At 18 years old the grant provided by the Home Office to the Council for young people's care and support reduces significantly.

Quality, Commissioning and Performance Improvement Division – forecast overspend of £0.1m

- 4.37** The division is forecasting a staffing overspend of £0.2m from the impact of increased quality assurance activity to support and assure the response to increased demand for children's social care services. The staffing pressure is being partially offset through a £0.1m forecast underspend in non-pay budgets.

Non-Dedicated Schools Grant (DSG) Education services – forecast underspend of £0.1m

- 4.38** Non-DSG Education services are still forecasting an underspend of £0.1m at Period 10, with staffing vacancies offsetting income pressures in other parts of the service.
- 4.39** £0.3m unachieved 2022-23 MTFS NHS Funding savings are being mitigated by underspends in other areas of the service.

DSG High Needs education services – forecast overspend of £0.705m

- 4.40** The SEND High Needs forecast at period 10 remains at an overspend of £0.705m against the budget of £82.059m. This represents no movement from period 9.
- 4.41** The overall variance at Period 10 represents a favourable variance of £0.020m from the expected overspend of £0.725m submitted to the Department of Education (DfE) Safety Valve Team as part of the approved Deficit Recovery Plan.
- 4.42** See below the key areas:
- £2.226m Out of Borough and Independent – Forecast overspend due to two key factors: 1) significant percentage uplifts in the cost for current and new placements; and 2) continued demand for placements for the most complex cases where provision within the borough is full. This includes an additional pressure from a number of high-cost specialist medical residential placements through Tribunal direction. The service is working with our special and mainstream schools to expand local provision and placement options for September 2024 and 2025.
- £1.110m overspend due to increased placements in Mainstream Education provision exceeding the budgeted allocation. This forms part of the invest to save SEND strategy in year 2.
- (£0.406m) underspend in Early Years provision.
- (£0.250m) underspend in top up funding related to delayed implementation of the proposed expansion of Enhanced Learning Provision across a few schools.
- (£0.953m) underspend in the Service Transformation budget set up to support the DSG Deficit Recovery strategy.
- (£0.400m) underspend in funding related to staffing cost in therapies and support services owing to service re-alignment to maximise savings.
- (£0.622m) expected clawback from specific Resource Provision (academies) for extra funding received from the Department for Education (DfE).
- 4.43** DSG High Needs education services will continue to closely monitor the demand pressures in Independent and Out of Borough placements owing to cost implications. Addington Valley Academy, St Nicholas, Coulsdon College Croydon, and Waddon Youth Disability Services are increasing placement numbers, which is reducing high-cost placements out of borough.
- 4.44** The 2023-24 period 10 High Needs forecast outturn variance of £0.705m leads to an overall DSG deficit projection of £16.089m at the end of 2023-24 compared to the Safety Valve target of £16.109m prior to the £3.290m Deficit Recovery payment from the DfE as per the Safety Valve agreement. This demonstrates that the Council is still ahead of the DfE target.

## DSG Early Years Block – forecast breakeven position

**4.45** The Department for Education (DfE) provides six key funding streams for the Early Years Block. The budget allocation for 2023-24 is £31.088m, and a breakeven position is forecast for Period 10. The Government recently announced an additional grant (Supplementary funding) of £2.507m for Croydon covering the period from September 2023 to March 2024. The DfE operational guide directs local authorities to “pass-through” 100% of the allocation to the sector and the Council is on target to meet the DfE requirements. Schools Forum was recently provided with updates on the payments to date.

### **4.46** Risks

- The Children’s Social Care Division is monitoring placement and care package expenditure during the year. Pressure on placement spend is due to the sufficiency challenges both locally and nationally. The introduction of regulation for supported accommodation is predicted to increase charges as providers seek to pass on costs to Local Authorities. “Costs of new Ofsted regulation and inspection regime for semi-independent placement provision could be nine times higher than Government funding, whilst one in five care beds could be withdrawn”, report warns – London Innovation and Improvement Alliance (LIIA).
- The service is also reviewing the housing accommodation charges from the Housing General Fund for Care Experienced Young People.
- The £0.3m unachieved income budget within the High Needs General Fund budget poses an indirect financial risk to the Safety Valve target should there be a need to offset the £0.3m potential shortfall to support activities or resources (EHCP Coordinators) within the SEND service. The service is exploring all mitigating options available.
- The service is monitoring all the risks associated with the Safety Valve target which includes increasing complexity of needs requiring additional funding for special schools, increasing placement costs and extra out of borough placements to meet the local needs of some CYP pupils with complex needs.

### **4.47** Opportunities

- Potential underspend of £0.3m in legal costs, if the lower numbers of care proceedings and UASC age assessment challenges continue.



## HOUSING

Division	Net Budget (£m)	Actuals to Date (£m)	Forecast (£m)	Forecast Variance (£m)
Resident Engagement and Allocations	23.9	28.0	27.4	3.5
Housing Estates and Improvement	-	-	-	-
<b>Total Housing</b>	<b>23.9</b>	<b>28.0</b>	<b>27.4</b>	<b>3.5</b>

- 4.48** At period 10, the Housing directorate has a General Fund forecast overspend of £3.5m (14.6%) against the budget of £23.9m as risks reported through the year have been incorporated into the forecast.
- 4.49** The movement is mainly due to risks relating to repair costs in the Croylease properties and expenses relating to the ongoing fire safety concerns and resulting void period at Sycamore House. Some of the costs relating to Sycamore may be recoverable but not within 2023-24. In addition there is ongoing pressure as the demand for accommodation across London has resulted in an increase in rates being charged.
- 4.50** Expanding on each of these issues in turn:
- 4.51** Investigations into the risks around the Croylease scheme have not been completed but initial work has indicated that costs will be towards the upper end of the likely range of costs and significantly above the £0.7m incorporated in the Period 9 forecast. The Period 10 forecast incorporates £1.5m of repair costs relating to 196 properties, a £0.8m movement from the Period 9 forecast.
- 4.52** The concerns around fire safety remain at the leased units at Sycamore House following the fire in October 2022 and subsequent fire safety inspections. These 63 units have, therefore, remained void through 2023-24, resulting in loss of income and additional security costs. Liability of these costs is not 100% clear between the Council and the freeholder of the building, but all efforts will be made to negotiate with the freeholder to compensate for these costs. Resolution within 2023-24 is highly unlikely and prudence dictates that the full costs of £1.2m be forecast at Period 10, which equates to a £1.2m movement from Period 9.
- 4.53** An allocation of £1.234m has been agreed from the Contain Outbreak Management Fund (COMF) grant, with £1m supporting homelessness costs and £0.234m supporting the clearing of the homelessness casework backlog.
- 4.54** There is a crisis within the London housing market that is creating significant demand for services which has not levelled out within 2023-24 and is likely to continue to rise into 2024-25. The data available following the changeover of rent account systems to the new NEC IT system is now improving. Further improvements to forecasting accuracy can be expected as data quality is addressed, reporting is developed further, and more data analysis is performed. This work has highlighted the inherent gap between the accommodation costs and the ultimate income that can be recovered, and this will be further developed in 2024-25.

- 4.55** Current financial modelling of a worst-case scenario for emergency and temporary accommodation indicates that the 2023-24 overspend could be up to circa £4.5m as the 2023-24 accounts are finalised. The pressures experienced by Croydon are also being experienced across London and nationally. Government have recognised this pressure with £92k of winter pressures funding to be allocated across the seven South-West London boroughs.
- 4.56** A top-up to the Homelessness Prevention Grant (HPG) of £1.9m was announced by DLUHC to cover homelessness pressures relating to Ukrainian refugees. This funding may also be used to fund wider homelessness pressures and reporting requirements are in line with the existing HPG requirements. The grant top-up could also help offset any potential detriment to income collection resulting in the bad debt provision being increased at year end.

Emergency Accommodation (Nightly-paid accommodation)

- 4.57** There are a number of factors that impact expenditure against this budget. Firstly, there has been a rise in demand in the number of households that have been placed into Emergency Accommodation (EA). The factors that have pushed up demand include:
- 4.58** A reduction in new private rented sector (PRS) lettings which is down 41% compared to the pre-COVID average (with tenants staying longer in properties and landlords exiting the market) and private rents are now more than 20% higher than pre-COVID levels. Therefore, new lettings affordable within Local Housing Allowance (LHA) levels are increasingly rare. The LHA uprating from April 2024 will provide a significant boost to affordability but will not solve the problem.
- 4.59** Another factor is the number of asylum-seeking households which is adding a pressure on available affordable accommodation. From August 2023 the Home Office accelerated their decision making for asylum claims and give very short notice when people are to be evicted from their accommodation. This is an additional pressure as the Council does not receive any financial assistance for these households.
- 4.60** Family evictions are also increasing, potentially linked to the decrease in availability of affordable housing in the private rented sector (PRS) and the increase in evictions detailed above and subsequent short-term arrangements breaking down.
- 4.61** Additional to the increase in demand is the backlog of circa 2,000 cases identified as part of the Housing Needs restructure. More of those households are now being placed in emergency (nightly paid) accommodation.
- 4.62** There is a shortage of suitable EA to meet the increasing demand, so the Council is relying on expensive commercial hotels and families staying in accommodation with shared facilities for over 6 weeks.

## Temporary Accommodation

- 4.63** The factors leading to demand for homelessness accommodation, particularly in London which is bearing 57% of the national homeless placement total, are also impacting the ability for Croydon to secure affordable accommodation to house those households unable to secure affordable accommodation in the private sector.

## Risks

- 4.64** There is a Temporary Accommodation scheme, Croylease, which was active in signing on properties between 5 to 10 years ago based on cost effective rents and an agreement for the Council to return properties in a specified condition. Council repairs contractors conduct the void repair work at the point that the contract term finishes, and the landlord requests their property back. Across 2022-23 and 2023-24 landlords have been withdrawing from this scheme which resulted in significant repair costs of circa £660k in 2022-23 and we are expecting costs of £1.5m in 2023-24 although it is possible that further costs will need to be recorded as records of work completed are examined.
- 4.65** The suitability of housing offered to a person determined as being eligible for homeless assistance has been subject to a number of legal challenges within 2023-24. One such case has been heard in the Supreme Court with an outcome that was, in this particular case, adverse for Croydon but in the long term may have positive implications in reducing the overall level of challenge. A cost, or a provision for cost, will need to be recognised in the 2023-24 accounts at an estimated amount of £300k.
- 4.66** The implementation of the new NEC IT system experienced a delay in setting up the interfaces between NEC and the Oracle finance system. The income interface is now posting income from the NEC system into the Oracle finance system. However, there are reconciliations still being carried out. There may be a requirement to increase the loss allowance (bad debt provision) at the end of 2023-24 depending on the level of income collection achieved by year end. This risk has now largely been incorporated into the forecast at Period 10.
- 4.67** There has 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 though as demand outweighs available affordable supply. At a Pan London meeting, all boroughs confirmed that 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.

- 4.68** There is a potential financial risk from the fire at Sycamore House in Thornton Heath depending on the insurance claim settlement not yet finalised. This risk was provided for in the 2022-23 accounts. However, if there is any difference from the estimated reimbursement of 70% of costs from the insurers, this would be an extra charge or benefit when settled. Costs relating to this risk have now been incorporated into the 2023-24 forecast at Period 10.
- 4.69** There is a potential budget pressure, above the currently estimated £1.2m for 2023-24 which has been funded through the economic demand pressures budget transfer agreed in Period 3, in relation to housing benefit subsidies for the Guaranteed Rent Scheme for Care Experienced Young People.
- 4.70** There is a pressure within the housing budget due to temporary accommodation management fees of £40/week/unit which are no longer recoverable through Housing Benefit (HB) subsidy from DWP. From 1 April 2017, in line with the Government announcement in the 2015 spending review, funding was devolved to Local Authorities through the Homelessness Prevention Grant with the aim of allowing Councils to better manage their temporary accommodation pressures, and this funding is instead of the HB subsidy.

#### Opportunities

- 4.71** Housing will continue to ensure the use of ringfenced Household Support Fund, Rough Sleeping initiative grants, and asylum seeker & refugee grant funding within the grant terms and to maximise the mitigating effect on general fund spend. This includes supporting households that are in rent arrears.
- 4.72** There are opportunities from accommodation that is coming on stream for placing homelessness clients, which will provide alternative accommodation and reduce the reliance on expensive nightly paid accommodation in 2024-25.
- 4.73** The restructure for Housing Needs has been implemented and is forming the bedrock for process and cultural change and a more cohesive journey for a homeless household. The financial benefits are expected to be realised in the longer term from better practice resulting in reduced spend on homelessness.

## RESOURCES

Division	Net Budget (£m)	Actuals to Date (£m)	Forecast (£m)	Forecast Variance (£m)
Commercial Investment	19.3	8.8	16.4	(2.9)
Finance ( <i>refer note 1</i> )	17.1	134.8	17.1	-
Legal Services and Monitoring Officer	2.7	2.7	2.6	(0.1)
Insurance, Anti-Fraud and Risk	0.6	2.9	0.5	(0.1)
Internal Audit Service	0.5	0.5	0.6	0.1
Pensions and Treasury	0.4	1.3	0.4	-
Central Resources	(2.3)	0.3	(2.4)	(0.1)
<b>Total Resources</b>	<b>38.3</b>	<b>151.3</b>	<b>35.2</b>	<b>(3.1)</b>

*Note 1: The actuals to date are high in the Finance Division owing to Housing Benefits expenditure which will be reimbursed through DWP funding.*

- 4.74** At period 10, the Resources directorate has a General Fund forecast underspend of £3.1m (8.1%) against a budget of £38.3m.

### Commercial Investment Division – £2.9m forecast underspend

- 4.75** The division continues to forecast decreased utilities (£1.1m) costs and improved recharging to external bodies (£1.1m). There are also £0.5m of staffing underspends across the division, mainly in Facilities Management owing to periods of staffing vacancy, which are being offset by a forecast decrease in recharges to capital.

### Finance Division – breakeven forecast position

- 4.76** There is a breakeven forecast position for the Finance Division. The Payments, Revenues, Benefits and Debt Service is forecasting a staffing underspend owing to staffing vacancies, but this is being offset by decreased Land Charges income and temporarily increased agency staffing in strategic finance to work through historic accounting issues including the prior years' accounts.
- 4.77** A cross Council working group is operating to mitigate Housing Benefit (HB) subsidy risks by maximising HB subsidy income claims, increasing collection of HB overpayments and reducing costs. The actuals to date are high in the Division owing to HB expenditure which will be reimbursed through DWP funding.
- 4.78** The Finance Division has undergone a restructure of the strategic finance service and has commenced recruitment into roles which are currently covered by agency staffing. The capacity and skills levels required in the strategic finance service have been reviewed and extra funding from growth has been agreed for 2024-25.

#### Legal Services and Monitoring Officer Division – £0.1m forecast underspend

- 4.79** There is a £0.2m forecast underspend in the Monitoring Officer service owing to staff vacancies and an underspend against the members allowances budget.
- 4.80** There is a forecast overspend in Legal Services of £0.1m owing to high levels of agency staffing.
- 4.81** The Legal Services and Monitoring Officer Division is reviewing usage of external legal advice, with a view to increasing the inhouse staffing structure (moving budget from external legal expenditure in directorates) to provide more legal services internally and therefore reduce overall legal expenditure for the Council.

#### Other Service Areas and Central Resources - £0.1m forecast underspend

- 4.82** There is a £0.1m forecast underspend in Insurance, Anti-Fraud and Risk owing to a staffing underspend and increased income from shared services. In addition, there are underspends across Pensions and Treasury and Central Resources owing to staffing vacancies, offset by a small overspend on Internal Audit staffing.

#### Risks

- 4.83** There is a risk in the Commercial Investment Division as work continues to identify the net impact of asset disposals including the full cost of property related expenditure and loss of income streams.
- 4.84** There is a risk in the Finance Division in relation to Housing Benefit subsidies including the potential impact of the roll out of Universal Credit (UC). The Council can make a claim to DWP for weekly deductions from UC to recover HB overpayments, however there is a hierarchy of deductions and HB overpayments are not at the top of the hierarchy. There is a risk for housing tenants that are claiming HB and are being migrated onto UC. If tenants do not take action to claim UC in a timely manner, they could miss out on transitional protection (keeping income at current HB level) and have decreased income on UC (which could reduce ability to pay their rent).

## SUSTAINABLE COMMUNITIES, REGENERATION & ECONOMIC RECOVERY (SCRER)

Division	Net Budget (£m)	Actuals to Date (£m)	Forecast (£m)	Forecast Variance (£m)
Sustainable Communities	56.3	57.9	56.6	0.3
Culture and Community Safety	10.3	4.8	9.2	(1.1)
Planning & Sustainable Regeneration	7.3	3.3	7.5	0.2
Central SCRER	-	0.6	-	-
<b>Total SCRER</b>	<b>73.9</b>	<b>66.6</b>	<b>73.3</b>	<b>(0.6)</b>

**4.85** At period 10, the SCRER directorate has a General Fund forecast underspend of £0.6m (0.8%) against a budget of £73.9m. The main potential risk areas relate to Special Educational Needs & Disabilities (SEND) home to school transport and income relating to parking enforcement, moving traffic offences and planning.

Sustainable Communities Division - forecast £0.3m overspend

**4.86** There is a forecast £2.9m pressure for SEND home to school transport owing to increased demand, a forecast £0.6m income pressure in New Roads and Street Works Act (NRSWA) coring inspections and a forecast £0.6m income pressure in parking enforcement and moving traffic offences. The pressures are being partially offset through a forecast underspend of (£2.6m) in staffing owing to periods of vacancy and (£1.2m) forecast underspend in waste services owing to reduced tonnage level of waste.

Culture and Community Safety Division – forecast underspend of (£1.1m)

**4.87** The division is forecasting an underspend of (£1.1m). This is owing to underspends from reduced utility costs in contracts (£0.4m), periods of staffing vacancy (£0.5m) and underspends across the libraries service while the service is under redesign (£0.2m).

**4.88** The Culture and Community Safety Division leads on the London Borough of Culture 2023 activities, funded through external funding sources. This is a year-long celebration of Croydon’s unique identity, diverse communities and rich heritage, culture and creativity. The programme for “This is Croydon” showcases Croydon to the world. It includes major events with international headliners performing alongside emerging home-grown talent, plus hundreds of cultural activities from our communities.

Planning and Sustainable Regeneration Division – forecast overspend of £0.2m

**4.89** The division is forecasting an overspend of £0.2m. This is driven by an income under-achievement of £0.4m owing to lower activity levels to date in planning major applications and planning performance agreements. This is being partially offset by a forecast staffing underspend of (£0.2m) owing to periods of vacancy in the Growth and Regeneration Team and other services.

**4.90** The reduction in planning major applications is being experienced across the country and the GLA is reporting a reduction across London. It is these applications which bring in the most significant fees. The reduction in major applications can be attributed to several factors, which include:

- Economic factors such as increased building and material costs and increased interest rates.
- Uncertainty relating to the emerging Building Safety Bill – impacts on design and when a second staircase is required.
- Uncertainty in relation to emerging planning legislation.

**4.91** Risks

- Demand for parking services has not returned to pre-pandemic levels and this is affecting all areas of parking which includes Automated Number Plate Recognition (ANPR), pay and display and on-street parking and is anticipated to continue until the end of the financial year. The current projections have a provision for risk built into it, but there may be additional movement as this is demand led activity and, therefore, can be volatile in nature.
- This past year has seen an unprecedented increase in demand and inflation for Home to School SEND Travel. This is expected to continue until the end of the financial year. The current projections have a provision for risk built into it, but there may be additional movement as this is demand led activity and, therefore, can be volatile in nature.

**4.92** Opportunities

- There could be further staffing underspends across the directorate in addition to minor variations as year-end activities commence and additional issues both favourable and unfavourable are identified.



## CORPORATE ITEMS AND FUNDING

Area of Spend	Net Budget (£m)	Actuals to Date (£m)	Forecast (£m)	Forecast Variance (£m)
Economic Demand Pressures	0.9	-	0.9	-
Risk Contingency Budget	5.0	-	5.0	-
Transformation Programme	10.0	-	10.0	-
Other corporate items	(97.1)	(30.2)	(97.1)	-
<b>Total Corporate Items and Funding</b>	<b>(81.2)</b>	<b>(30.2)</b>	<b>(81.2)</b>	<b>-</b>

- 4.93** At period 10, the Corporate directorate has a General Fund forecast breakeven position against a net budget of (£81.2m). The risk contingency budget of £5m is not utilised at period 10 and remains to offset pressures that could materialise across the Council in the final months of the year.
- 4.94** The corporate area holds funding streams such as Council Tax, retained share of Business Rates and Core Grants. The corporate budget also holds the Council-wide risk contingency budget (£5m) and the budgets for borrowing and interest received.
- 4.95** The corporate area funds redundancy, severance and pension strain costs which contribute to achieving General Fund MTFS savings.
- 4.96** There is budget of £0.9m held centrally (of the original £5.5m agreed by full Council) for the potential impact of economic demand pressures on Croydon after the allocation of £1.7m budget in Period 3 (Housing Benefit subsidy pressures), £2.2m budget in Period 6 (emergency accommodation pressures) and £0.7m budget in Period 7 (children social worker caseload pressures).
- 4.97** The corporate area also holds the 2023-24 Transformation budget of £10m, which funds work carried out in directorates and cross-Council to achieve MTFS savings and improve services for local residents and businesses. It is expected that any underspend in 2023-24 will be carried forward in an earmarked reserve to fund projects which are being delivered over multiple financial years. The Transformation budget reduces to £5m from 2024-25.
- 4.98** There is £1.5m budget held in Corporate for adjustments to correct General Fund recharge budgets relating to the HRA, Public Health, capitalisation of salaries and corporate support (overhead) recharges, and salary and income budget corrections. The budget agreed by full Council was £7.3m and £5.8m of this was allocated out to service directorates in Period 7. The remaining budget is likely to be needed to align corporate support (SERCOP) recharge budgets, following further work to calculate up to date recharges to non-General Fund areas.
- 4.99** There is a funding risk in the Collection Fund if cost of living pressures impact the collection of Council Tax and Business Rates income, and/or increase the levels of claimants for Council Tax Support. The impact of the Council Tax increase is partially mitigated through the Council Tax Hardship Fund (supporting low income households that cannot afford to pay their full increase in Council Tax).

**4.100** There is borrowing cost uncertainty from interest rates and the timing of capital receipts from asset disposals.

### Transformation Programme

**4.101** The Transformation Programme has £14m of resources allocated to it, consisting of £10m base revenue budget and £4m earmarked reserve.

**4.102** In total there is currently £10m of the Transformation Programme budget allocated with £4m unallocated to date. The Transformation Programme will provide a return on investment through service improvement benefits and the identification and delivery of savings for the MTFS, providing a significant level of savings towards the £20m per annum savings required from 2025-26 onwards.

### Transformation Programme Allocations

Project	2023-24 Draft Budget Allocation (£m)	Actuals to Date (£m)	Forecast Expenditure (£m)	Forecast Variance (£m)
Transformation Revenue Budget	10.000			
Transformation Reserve Funding	4.000			
<b>Total Transformation Funding</b>	<b>14.000</b>			
Approach to Strategic Planning and Commissioning	-	-	-	-
Parking Policy Review	0.200	0.113	0.200	-
Community Hubs Programme	0.250	0.001	0.250	-
HR Transformation	0.093	0.130	0.093	-
Digital & Resident Access Review/Digital Workforce	0.080	0.002	0.080	-
SEND Review	0.240	-	0.240	-
Passenger/SEND Transport Transformation	0.100	-	0.100	-
Family Justice Service Review	-	0.037	-	-
S117 Project	-	0.099	-	-
Joint Funding Arrangements	0.110	-	-	(0.110)
Sustaining Demand at the Front Door	0.190	0.125	0.190	-
Corporate Parenting Transformation	0.743	0.185	0.531	(0.212)
Dynamic Purchasing System	0.142	-	0.142	-
Calleydown Transformation	0.134	-	-	(0.134)
Income & Debt Review	0.050	0.015	0.050	-
Outcomes Based Domiciliary Care Model	-	-	-	-
Transition Commissioning Care Model	-	-	-	-
Croydon Campus	0.250	0.127	0.250	-
Customer Access Review	0.200	0.117	0.200	-
Building Control Transformation	0.450	0.072	0.450	-
Planning & CIL Transformation	0.300	0.029	0.300	-
CALAT	0.050	0.049	0.050	-
Housing Needs Restructure	0.260	0.007	0.260	-
Temporary Accommodation Case Review	0.491	-	0.491	-
Housing Occupancy Checks	0.291	-	0.291	-

Project	2023-24 Draft Budget Allocation (£m)	Actuals to Date (£m)	Forecast Expenditure (£m)	Forecast Variance (£m)
Rent Accounts and Data Cleanse	0.026	-	0.026	-
Housing Association Recharges	0.059	-	0.059	-
Supported Housing Review	0.080	-	0.080	-
Adult Social Care Transformation	1.100	0.424	0.806	(0.294)
Review of Social Care Placements	-	0.173	-	-
Reablement & Hospital Discharge	-	-	-	-
Strategic Operating Model Design Partner for Adult Social Care and Health	1.134	0.048	0.601	(0.533)
Housing Benefit Subsidy SEA & EA/TA	-	-	-	-
PFI Contract Manager	-	-	-	-
VCS Review	-	-	-	-
Asset Rationalisation	0.124	-	0.124	-
Business Intelligence Review	0.026	-	0.026	-
Commercial & Income Opportunities	-	-	-	-
Community Equipment Service	0.234	0.168	0.234	-
Croydon Museum	0.170	0.005	0.170	-
Oracle Improvement Programme	0.915	0.117	0.915	-
SCRER Business Improvement Team	0.396	-	0.396	-
Transformation PMO	1.100	0.949	1.100	-
<b>Total Revenue Budget and Reserves Allocated to Date</b>	<b>9.988</b>	<b>2.992</b>	<b>8.705</b>	<b>(1.283)</b>
Unallocated To Date	4.012			

**4.103** The Transformation Programme published in November 2022 set out £5.9m of project commitments with recognition that further sums were still to be confirmed. Please note that project plans are under development and following review of these project plans the draft budget allocations to projects as listed above could change through the year.

**4.104** The Transformation Board has agreed additional project allocations totalling £3.553m. The allocations are set out in the table below.

<b>Project Allocations</b>	<b>£m</b>
Business Intelligence Review	0.026
Sustaining demand at the front door	0.080
Callydown transformation	0.134
Review of Social Care Placements	-0.005
CALAT (New)	0.050
Strategic operating model design partner for ASCH	1.134
HR Transformation	0.015
SCRER Business Improvement Team – note previously temporarily included in Planning and Building Control project budgets	0.396
Corporate Parenting Transformation (New and subsumes Fostering Transformation Project)	0.650
Community Equipment Service	0.234
Museum Transformation	0.170
Oracle Cloud Improvement (New)	0.915
Asset Rationalisation	0.124
Reablement & Hospital Discharge - transfer to Strategic operating model design partner for ASCH	-0.060
Family Justice Service Review	-0.100
Dynamic Purchasing System	0.050
Housing Needs Restructure	0.200
Temporary Accommodation Case Review	0.200
Outcomes Based Domiciliary Care Model	-0.082
Transition Commissioning Care Model	-0.110
Approach to Strategic Planning and Commissioning	-0.290
S117 Project	-0.178
<b>Total of Allocations</b>	<b>3.553</b>

**4.105** The 'Review of Social Care Placements' project has secured £600,000 alternative funding from the Market Sustainability Grant thereby reducing the funding required from the Transformation budget. The revenue budget also funds the costs of the transformation Programme Management Office currently estimated at £1.1m.

### **Savings**

**4.106** The 2023-24 budgets include a challenging new savings target of £33.1m. Together with slippage of £3.0m from 2022-23, the total savings target is £36.1m. The forecast achievement of savings is £32.4m (89.8%). Directorates have identified risks to achievement of individual savings and have made plans to mitigate these risks, or identify alternative savings, if possible.

**Table showing 2023-24 forecast savings achievement by directorate**

2023-24						
Savings target £'000	Slippage from previous year £'000	Revised Savings target £'000	Forecast savings achievable £'000	Savings slippage £'000	Not yet evidenced or (over delivery) £'000	
Adult Social Care & Health	12,243	-	12,243	13,240	-	(997)
Assistant Chief Executive	2,924	-	2,924	2,271	653	-
Children, Young People & Education	6,920	490	7,410	5,148	-	2,262
Housing	2,305	-	2,305	1,309	1,099	(103)
Resources	6,347	-	6,347	6,347	-	-
Sustainable Communities (SCRER)	1,859	2,490	4,349	4,124	225	-
Cross-Directorate / Corporate	500	-	500	-	500	-
<b>Total</b>	<b>33,098</b>	<b>2,980</b>	<b>36,078</b>	<b>32,439</b>	<b>2,477</b>	<b>1,162</b>

### Savings achievement not yet evidenced

**4.107** Assistant Chief Executive: There is forecast savings slippage of £0.653m owing to:

- Workforce restructure - £0.500m – The saving of £1m has been partially achieved in year with the remaining £0.5m linked to the End User Service re-procurement and subsequent service transformation which will be achieved in 2025-26 when the current contract extension expires.
- Human Resources management team reorganisation and reduction in previously agreed growth - £0.153m - The payroll restructure was delayed and completed in December 2023 with the headcount of the payroll team reduced as a result. Savings have been achieved for 2024-25 and the 2023-24 position has been mitigated with underspends elsewhere in the service.

**4.108** Children, Young People & Education: There are savings of £2.262m which have not been evidenced to date:

- NHS Funding - £0.490m – Detailed analysis of the spend on health and care for children in the social care system and in schools was undertaken in 2021-22 to inform a more proportionate allocation of costs across the Council and the NHS to be achieved by 2023-24. It has proved challenging to reach agreement on increased health contribution to placement and care package costs.

- Reduce spend on Children Looked After placements - £1.715m – Whilst the number of children in Croydon’s care has continued to decrease over 2023-24, the unit costs for residential and semi-independent placements have increased at a faster rate.
- Increase Health contribution to the Integrated Commissioning Team - £0.057m – Whilst not achieved in 2023-24, the recent NHS restructure will inform a review of Council capacity to achieve this saving in 2024-25.

**4.109** Housing: There is forecast savings slippage of £1.1m owing to:

- Temporary accommodation case review (discretionary cases) - £0.5m slippage - Posts to undertake the transformation work were filled during 2023-24 and therefore the full year effect of the £0.6m savings target will not be achieved until 2024-25.
- Temporary accommodation occupancy checks - £0.3m slippage - Posts to undertake the transformation work were filled during 2023-24 and therefore the full year effect of the £0.4m savings target will not be achieved until 2024-25.
- Data cleanse and rent accounts (income collection) - £0.3m slippage - Work commenced on this project as part of the implementation of the new NEC IT system. Reconciliation work and improvements to NEC reporting are still underway to evidence these £0.3m savings.

**4.110** SCRER: There is forecast savings slippage of £0.225m relating to the saving “Review and reduction of the Neighbourhood Operations (NSO team)”. The change occurred in September 2023, providing a part-year saving in 2023-24 and the full-year saving of £0.450m will be achieved in 2024-25.

**4.111** Cross-Directorate: There is forecast savings slippage of £0.5m. The “Business Intelligence” saving of £0.25m has been developed as a transformation project for delivery in 2024-25. For the “Consider new structures through layers and spans review” saving of £0.25m, initial scoping work has been completed including suggestions and options for potential centralisation efficiencies to reduce potential duplication of functions across the Council.

### **Reserves**

**4.112** There are no budgeted contributions to, or drawdowns from, the General Fund balances of £27.5m in 2023-24. The current forecast for 2023-24 maintains this reserve.

<b>General Fund Balances</b>	<b>Forecast (£m)</b>
<b>Balance at 1 April 2023</b>	<b>27.5</b>
Forecast Contribution to/(Drawdown from) Reserves	-
<b>Forecast Balance at 31 March 2024</b>	<b>27.5</b>

**4.113** The General Fund balances serve as a cushion should any overspend materialise by the end of 2023-24. 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.

### **Unresolved Issues**

- 4.114** The Council's overall financial position is still subject to a number of unresolved historic legacy issues. The latest position on these was set out in the 22 February 2023 Cabinet report titled 'Revenue Budget and Council Tax Levels 2023-24' which incorporated the findings of the 'Opening the Books' review undertaken in 2022-23. The report stated that a request has also been made of Government to provide the Council with a Capitalisation Direction of £161.6m to cover the historic finance issues that have been revealed through the 'Opening the Books' programme.
- 4.115** The Council needs to correct a range of misstatements in its legacy accounts from 2019-20 which are currently still not fully closed. This was more than the £74.6m previously identified in the MTFs Update report to Cabinet in November 2022.
- 4.116** The Council's Provision for Bad Debt was found to be understated by £46m rather than the £20m previously assumed and a prudent decision was made to include the potential £70m gap in the accounts caused by incorrect accounting for Croydon Affordable Homes and Tenures, instead of the £9m previously assumed.
- 4.117** The Capital Programme for 2022-23 included the £161.6m Capitalisation Direction requested, which was in addition to the £25m capitalisation direction previously approved.
- 4.118** The Council has recently been required by an Adjudication Panel to make a payment to a former contractor in relation to a historic claim which dates back to a contract they held during the period 2011-2018. The Council has therefore requested a new Capitalisation Direction of £9.439m for 2019-20 in order to finalise the 2019-20 accounts. This is in addition to last year's request for a Capitalisation Direction of £126m in relation to 2019-20. With four years of accounts still open, there remains a risk that further legacy issues will be uncovered.

## HOUSING REVENUE ACCOUNT (HRA)

**4.119** At period 10, the HRA forecast remains at a revenue overspend of £12.0m owing to resolving a backlog of historic legacy repair work, reducing voids and resolving issues experienced nationally including damp and mould and fire safety. The HRA has a reserve of circa £50m as at the end of 2022-23 and this reserve will fund the 2023-24 overspend, however the HRA budget for 2024-25 will take account of ongoing pressures and priorities.

### Repairs

**4.120** At Period 5 it was set out how the legacy of repairs, disrepair works and the commissioned works on damp and mould accounts for £8.6m of the pressure against the existing budget. This pressure is a direct result of the significant under-investment over decades in the housing stock which has resulted in the backlogs the teams are now tackling, including historic legacy issues identified since the implementation of the three new repairs contracts in August 2023. The Council is committed to ensure it is meeting its requirements as a landlord.

**4.121** The 2024-25 budget will require significant work to ensure that it is capturing and managing ongoing pressure areas within the repairs service. Stock conditions surveys have been commissioned to identify the level of major repairs and maintenance to be programmed into the future years' budgets and these capital improvements should reduce the level of responsive repairs over the medium term.

### Damp and Mould

**4.122** There has been significant work done to tackle reports of damp and mould, treating the appearances of spores and carrying out works to address the issues.

**4.123** The Social Housing (Regulation) Act 2023 will enable a rigorous new regime that holds all landlords to account for the decency of their homes and the service they provide. This includes changes from 'Awaab's Law' which follows the death of 2 year old Awaab Ishak in 2020 owing to damp and mould exposure in his Rochdale home, following repair requests and complaints having been repeatedly ignored. Legislation includes provisions which will require the Council to investigate hazards and fix repairs including damp and mould in their properties within strict new time limits or rehouse residents where a home cannot be made safe. The new rules will form part of the tenancy agreement, so residents can hold landlords to account if they fail to provide a 'decent' home.

### Voids

**4.124** Tackling of legacy voids has had a significant financial impact owing to the state of disrepair in these properties and the subsequent lack of asset renewal. The team expects to have cleared the backlog of legacy voids within this financial year and the associated cost pressures have been forecasted to reflect that commitment.



Financial controls for all voids over £6,500 are in place and there is ongoing management of the work in progress (WIP) and the average weekly voids of 12 voids per week.

#### Disrepair

**4.125** The remaining £3.4m pressure is attributed to disrepair and reflects the volume of historic legacy disrepair cases being cleared and the legal costs and settlements that have been the outcome.

**4.126** Legal disrepair volumes continue to be a challenge operationally and financially. Work is ongoing to tackle the circa 550 disrepair cases in our backlog. The service has proposed a plan to clear this backlog by 31 March 2025 and the details were set out in the separate Repairs Contract Update paper presented to Cabinet in February 2024. This financial year, works have been undertaken to circa 303 claims and we have works in progress for 67 cases. However, the number of claims we are receiving each month has increased from an average of 30 to now 45 new claims per month. Increased legal work created by lawyers who specialise in bringing cases seeking damages (“no win no fee”) increases legal costs and delays for tenants.

#### Control framework

**4.127** The service has introduced controls to manage, monitor and provide assurance on ongoing responsive repairs costs:

- The NEC system allows management of the budget per individual line of activity with a budget set on NEC that cannot be exceeded and no payments can be made without any increase to the budget prior to any new orders being raised. Manager approval is required to increase a budget.
- A Review Panel has been established since September. Any quotes for works over a value of £5,000 must be presented to the panel and approval sought prior to the works order being raised.
- A review and approval from the Housing Directorate Management Team will be sought for works on an individual property in excess of £40,000 to allow consideration of value for money and to ensure that there is a link being made to regeneration projects and any other cross-Council projects.

#### Tenancy and Income

**4.128** A breakeven forecast position at period 10 as work continues with the NEC implementation team to validate rental income and voids.

#### Staffing and other

**4.129** A breakeven forecast position at period 10 reflects that additional budget was allocated in 2023-24 to meet known pressures while structural changes are being implemented.

#### **Table showing the 2023-24 HRA forecast**

Description	Net Budget (£m)	Actuals to Date (£m)	Forecast (£m)	Forecast Variance (£m)
Rental Income	(82.1)	(68.0)	(82.1)	-
Service Charge Income	(4.6)	(3.8)	(4.6)	-
Concorde, Sycamore & Windsor (rental income for Temporary Accommodation provision)	(3.4)	(2.2)	(3.4)	-
Other Income	(6.0)	(2.4)	(6.0)	-
<b>Subtotal Income</b>	<b>(96.1)</b>	<b>(76.3)</b>	<b>(96.1)</b>	<b>-</b>
Housing Capital Charges	40.9	-	40.9	-
Responsive Repairs & Safety	20.4	**33.2	32.4	12.0
Centralised Directorate expenditure	11.3	1.4	11.3	-
Tenancy & Resident Engagement	10.3	5.3	10.3	-
Tenant Support Services	6.7	5.0	6.7	-
Concorde, Sycamore & Windsor expenditure	3.4	3.2	3.4	-
Asset Planning	1.6	1.3	1.6	-
Capital Delivery (Homes & Schools)	1.5	1.1	1.5	-
<b>Subtotal Expenditure</b>	<b>96.1</b>	<b>50.5</b>	<b>108.1</b>	<b>12.0</b>
<b>Total HRA Net Expenditure</b>	<b>-</b>	<b>(25.9)*</b>	<b>12.0</b>	<b>12.0</b>

\* Note that no actuals for Housing Capital Charges have been posted as these journals are carried out at year end points.

\*\* Note the revenue repairs includes costs that are of a capital nature. The transfer to the capital budget of these costs will be carried out during Period 11.

**4.130** The main risks within the HRA are:

- NEC system functionality delays:
  - Although the system went live in June 2023, the system is yet to be used to its full capacity including full reporting functionality. The repairs and income forecasting may yet be impacted once the full integration and functionality is available.
- Repairs and maintenance:
  - extra expenditure to deal with the backlog of repairs and maintenance.
  - void and disrepair costs carried out by specialist contractors to reduce void losses and minimise future disrepair claims.
  - settlement of disrepair cases and related legal fees, including those relating to Regina Road.
- Tenancy and income:
  - the impact of cost of living pressures on rent collection (including a potential increase in bad debt cost).
  - loss of income owing to void (empty) residential properties.
  - loss of income owing to voids including void garages.
- Recharge review:

- General Fund services are producing service level agreements (SLAs) to evidence recharges of costs to the HRA, which could result in increased charges to the HRA.

## **Capital Programme and Financial Sustainability**

- 4.131** The Capital strategy and programme was approved by Council in March 2023. This recognised the complex and challenging financial and operational circumstances in which the Council continues to operate. It showed a 2023-24 Capital Programme that is reduced in scale and cost compared to previous years. With circa £1.4bn of General Fund debt and an environment of rising interest rates, the delivery of an effective Asset Management Plan and an ambitious Asset Disposal Strategy, including reducing the number of buildings used by the Council, will be essential to mitigate rising cost pressures, reduce the overall debt burden and help the Council to balance its books.
- 4.132** The strategy reflects the progress made to date by the Council to improve the governance and financial management of the Capital Programme following recommendations from the two Reports in the Public Interest (RIPI). The Council understands that the initial improvements put in place are the foundations of good practice and is focused on building upon these over the coming months and years.
- 4.133** Concerns were highlighted regarding value for money and investment decisions as the Council has incurred debt in investing in assets which have not retained their value and, therefore, the level of debt exceeds the value of the investment assets. In the three years between 2017-20 the Council borrowed £545m with no focused debt management plan in place. The majority of this debt comprises short-term borrowings which has left the Council exposed to current higher interest rates. The debt is anticipated to be refinanced from 2023 onwards and, therefore, likely to drive significant increases in annual repayment levels.
- 4.134** An estimated £66m is required to service this debt from the General Fund which represents around 19% of the Council's net budget. The Council's historic legacy borrowing and debt burden has, therefore, become critical to the non-sustainability of the Council's revenue budget.
- 4.135** The Council has concluded that the expenditure it is anticipated to incur in each year of the period of 2023-27 is likely to exceed the financial resources available and that reaching financial and operational sustainability without further Government assistance will not be possible. The Council's 2023-24 budget required capitalisation directions from Government of £63m to balance and the MTFs demonstrated an ongoing estimated budget gap of £38m per annum from 2024-25.
- 4.136** Dialogue with the Department for Levelling Up, Housing and Communities (DLUHC) continues, and the Council is seeking further financial support from Government in regard to its level of historic legacy structural indebtedness to ensure it can deliver sustainable Local Government services. It must be noted that annual capitalisation directions (transferring revenue cost into capital cost which must be funded over 20

years) increases the Council's debt burden. Also capital receipts from the Asset Disposal Strategy are being used to fund the ongoing capitalisation directions and therefore the Council is not able to reduce its existing historic debt (a situation of "treading water").

**4.137** Therefore, a request was made to DLUHC in January 2023 for Government funding to write-off £540m of the Council's General Fund debt. DLUHC has subsequently asked the Council to propose a wider range of options, and these are currently being worked on.

### General Fund Capital Programme

**4.138** At period 10, the General Fund capital programme has a forecast underspend of £23.2m (18.7%) against the revised budget of £124.0m.

**Table showing 2023-24 General Fund Capital Programme budget and forecast**

<b>General Fund Capital Scheme</b>	<b>2023-24 Revised Budget</b>	<b>2023-24 Actuals to Date</b>	<b>2023-24 Forecast</b>	<b>2023-24 Forecast Variance</b>
	<b>(£000's)</b>	<b>(£000's)</b>	<b>(£000's)</b>	<b>(£000's)</b>
Bereavement Services	127	6	127	-
My Resources Interface Enhancement	169	58	174	5
ICT	-	4	-	-
Network Refresh	152	11	152	-
Tech Refresh	292	837	285	(7)
Geographical Information Systems	312	-	116	(196)
Laptop Refresh	1,030	-	1,030	-
Cloud and DR	167	26	174	7
People ICT	-	3	-	-
Synergy Education System	858	20	715	(143)
NEC Housing System	2,725	101	2,526	(199)
Uniform ICT Upgrade	56	-	56	-
Public Switched Telephone Network Digital Migration Phase 1	163	-	163	-
<b>Subtotal Assistant Chief Executive</b>	<b>6,051</b>	<b>1,066</b>	<b>5,518</b>	<b>(533)</b>
Children Home DFE	329	-	104	(225)
Woodlands Family Hub	140	-	140	-
<b>Subtotal CYPE</b>	<b>469</b>	<b>-</b>	<b>244</b>	<b>(225)</b>
Disabled Facilities Grant	3,000	1,742	2,600	(400)
Empty Homes Grants	400	55	200	(200)
<b>Subtotal Housing</b>	<b>3,400</b>	<b>1,797</b>	<b>2,800</b>	<b>(600)</b>
Asset Strategy - Stubbs Mead	500	-	100	(400)
Asset Strategy Programme	100	-	20	(80)
Clocktower Chillers	15	-	5	(10)
Corporate Property Maintenance Programme	2,780	1,629	2,365	(415)
Fairfield Halls - Council	625	4	100	(525)

<b>General Fund Capital Scheme</b>	<b>2023-24 Revised Budget</b>	<b>2023-24 Actuals to Date</b>	<b>2023-24 Forecast</b>	<b>2023-24 Forecast Variance</b>
	<b>(£000's)</b>	<b>(£000's)</b>	<b>(£000's)</b>	<b>(£000's)</b>
Former New Addington Leisure Centre	300	-	300	-
Fieldway Cluster (Timebridge Community Centre)	248	-	148	(100)
Contingency	1,000	-	1,000	-
Education - Fire Safety	450	4	450	-
Education - Fixed Term Expansions	225	180	225	-
Education - Major Maintenance	3,411	3,908	3,865	454
Education - Miscellaneous	116	245	116	-
Education - Permanent Expansion	297	9	297	-
Education - SEN	1,600	687	1,309	(291)
<b>Subtotal Resources</b>	<b>11,667</b>	<b>6,666</b>	<b>10,300</b>	<b>(1,367)</b>
Growth Zone	15,341	336	2,000	(13,341)
Grounds Maintenance Insourced Equipment	1,200		-	(1,200)
Highways	8,260	4,865	8,260	-
Highways - flood water management	404	360	404	-
Highways - bridges and highways structures	1,641	1,637	1,641	-
Highways - Tree works	50	6	50	-
Local Authority Tree Fund	83	153	83	-
Trees Sponsorship	42	10	42	-
Tennis Court Upgrade	75	370	75	-
Leisure centres equipment Contractual Agreement	-	(410)	-	-
Leisure Equipment Upgrade	148	143	148	-
Libraries Investment - General	224	3	224	-
Parking	1,843	963	1,843	-
Cashless Pay & Display	1,463	-	58	(1,405)
Play Equipment	300	259	259	(41)
Safety - digital upgrade of CCTV	1,540	11	11	(1,529)
Highway Road Markings/Signs (Refresh)	137	124	137	-
South Norwood Good Growth	773	11	20	(753)
Kenley Good Growth	304	(141)	304	-
Sustainability Programme	300	-	52	(248)
LIP	3,522	759	1,922	(1,600)
Cycle Parking	106	-	106	
Electric Vehicle Charging Point (EVCP)	3	-	43	40
Park Asset Management	700	58	500	(200)
Waste and Recycling Investment	602	602	602	-
Ashburton Park Heritage Fund	305	-	60	(245)
<b>Subtotal SCRER</b>	<b>39,366</b>	<b>10,119</b>	<b>18,844</b>	<b>(20,522)</b>
Capitalisation Direction	63,000	-	63,000	-
<b>Subtotal Corporate Items and Funding</b>	<b>63,000</b>	<b>-</b>	<b>63,000</b>	<b>-</b>
<b>TOTAL GENERAL FUND CAPITAL</b>	<b>123,953</b>	<b>19,648</b>	<b>100,706</b>	<b>(23,247)</b>

**Table showing General Fund Capital Programme Financing**

<b>General Fund Capital Financing</b>	<b>2023-24 Revised Budget</b>	<b>2023-24 Forecast</b>	<b>2023-24 Forecast Variance</b>
	<b>(£000's)</b>	<b>(£000's)</b>	<b>(£000's)</b>
Community Infrastructure Levy (CIL)	6,600	6,600	-
CIL Local Meaningful Proportion (LMP)	552	304	(248)
Section 106	1,227	342	(885)
Grants & Other Contributions	14,851	13,079	(1,772)
Growth Zone	15,341	2,000	(13,341)
HRA Contributions	1,772	1,617	(155)
Capital Receipts	83,610	76,764	(6,846)
Borrowing	-	-	-
<b>Total General Fund Financing</b>	<b>123,953</b>	<b>100,706</b>	<b>(23,247)</b>

**4.139** The extra forecast cost of electric vehicle charging points will be funded by Section 106 funding.

### **HRA Capital Programme**

**4.140** At period 10, the HRA capital programme has a forecast overspend of £1.8m (4.6%) against the revised budget of £39.2m. The HRA has a reserve of circa £50m as at the end of 2022-23 and this reserve will be the source of financing the 2023-24 capital overspend.

The HRA budget for 2024-25 and the HRA business plan has taken account of ongoing pressures and priorities. Stock conditions surveys have been commissioned to identify the level of historic legacy major repairs and maintenance to be programmed into the future years' budgets and these capital improvements should reduce the level of responsive repairs over the medium to long term.

There are pressures relating to damp and mould related repairs and historic legacy legal disrepair and void cases where significant updating to properties is occurring.

**Table showing 2023-24 HRA Capital Programme budget and forecast**

<b>HRA Capital Scheme</b>	<b>2023-24 Revised Budget</b>	<b>2023-24 Actuals to Date</b>	<b>2023-24 Forecast</b>	<b>2023-24 Forecast Variance</b>
	<b>(£000's)</b>	<b>(£000's)</b>	<b>(£000's)</b>	<b>(£000's)</b>
Major Repairs and Improvements Programme	21,355	13,269	27,843	6,488
NEC Housing System	1,772	-	1,772	-
Regina Road	3,571		3,571	-
Building Safety Works	3,735		137	(3,598)
Repairs Referrals	8,800		7,700	(1,100)
<b>Total HRA Capital</b>	<b>39,233</b>	<b>13,269</b>	<b>41,023</b>	<b>1,790</b>

### Table showing 2023-24 HRA Capital Programme Financing

<b>HRA Capital Financing</b>	<b>2023-24 Revised Budget</b>	<b>2023-24 Forecast</b>	<b>2023-24 Forecast Variance</b>
	<b>(£000's)</b>	<b>(£000's)</b>	<b>(£000's)</b>
Major Repairs Reserve (MRR)	15,457	15,457	-
Revenue	13,900	13,900	-
Other Reserves	7,758	9,548	1,790
Right To Buy (RTB) Receipts	2,118	2,118	-
<b>Total HRA Capital Financing</b>	<b>39,233</b>	<b>41,023</b>	<b>1,790</b>

## 5 ALTERNATIVE OPTIONS CONSIDERED

5.1 None.

## 6 CONSULTATION

6.1 None.

## 7. CONTRIBUTION TO EXECUTIVE MAYOR'S BUSINESS PLAN

7.1 The monthly financial performance report supports the Mayor's Business Plan 2022-2026 objective one "The council balances its books, listens to residents and delivers good sustainable services".

## 8. IMPLICATIONS

### 8.1 FINANCIAL IMPLICATIONS

8.1.1 Finance comments have been provided throughout this report.

- 8.1.2** The Council continues to operate with internal spending controls to ensure that tight financial control and assurance oversight are maintained. A new financial management culture is being implemented across the organisation through increased communication on financial issues and training for budget managers.
- 8.1.3** The Council currently has a General Fund Reserve of £27.5m which serves as a cushion should any overspend materialise by the end of 2023-24. 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.
- 8.1.4** The Council's historic legacy borrowing and debt burden continues to be critical to the non-sustainability of the Council's revenue budget. Dialogue with the Department for Levelling Up, Housing and Communities (DLUHC) continues, and the Council is seeking further financial support from Government in regard to its level of structural indebtedness to ensure it can deliver sustainable Local Government services.

Comments approved by Allister Bannin, Director of Finance (Deputy s151 Officer).

## **8.2 LEGAL IMPLICATIONS**

- 8.2.1** The Council is under a statutory duty to ensure that it maintains a balanced budget and to take any remedial action as required in year.
- 8.2.2** 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.
- 8.2.3** 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.
- 8.2.4** The monitoring of financial information is also a significant contributor to meeting the Council's Best Value legal duty. The Council as a best value authority "must make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness" (Section 3 Local Government Act (LGA) 1999). The Best Value Duty



applies to all functions of the Council including delivering and setting a balanced budget, providing statutory services such as adult social care and children's services and securing value for money in all spending decisions.

- 8.2.5** The Council is the subject of Directions from the Secretary of State requiring the Council to, amongst others, improve on the management of its finances. This report serves to ensure the Council is effectively monitoring and managing its budgetary allocations in accordance with its Best Value Duty.

Comments approved by Sandra Herbert, Head of Litigation and Corporate Law on behalf of the Director of Legal Services and Monitoring Officer, 20/03/2024.

### **8.3 HUMAN RESOURCES IMPLICATIONS**

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

- 8.3.2** 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 Assistance Programme (EAP) and staff may seek help via and be signposted to the EAP, the Guardians' programme, and other appropriate sources of assistance and advice on the Council's intranet, including the trade unions.

Comments approved by Dean Shoesmith, Chief People Officer, 07/03/2024.

### **8.4 EQUALITIES IMPLICATIONS**

- 8.4.1** The Council has a statutory duty to comply with the Public Sector Equality Duty (PSED) as set out in section 149 of the Equality Act 2010. The Council must therefore have due regard to the need to:

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

- 8.4.2** The aim of the duty is to ensure public authorities and those carrying out a public function consider how they can positively contribute to a fairer society through advancing equality and good relations in their day-to-day activities. The duty

ensures equality considerations are built into the design of policies and the delivery of services and that they are kept under review.

**8.4.3** In setting the Council's budget for 2023-2024, colleagues responsible for key projects or savings proposals were required to complete Equality Impact Assessments (EQIAs) to support them to make such considerations. Likewise, any new policy or change to Council services across the financial year undergoes the same process.

**8.4.4** As officers deliver against the approved budget, including their delivery of savings, as monitored through this report, they will continue to monitor for any equality impacts.

Comments approved by Helen Reeves, Head of Strategy & Policy, 07/03/2024.

## **9. APPENDICES**

**9.1** None.

## **10. BACKGROUND DOCUMENTS**

**10.1** None.

## LONDON BOROUGH OF CROYDON

REPORT:	CABINET	
DATE OF DECISION:	24 <sup>th</sup> April 2024	
REPORT TITLE:	Housing Ombudsman Determinations 2023	
CORPORATE DIRECTOR	Susmita Sen, Corporate Director for Housing	
LEAD OFFICERS:	Lara Ashley, Housing Transformation Lead <a href="mailto:lara.ashley@croydon.gov.uk">lara.ashley@croydon.gov.uk</a>  Paul Davey, Senior Strategy Officer <a href="mailto:paul.davey@croydon.gov.uk">paul.davey@croydon.gov.uk</a>	
LEAD MEMBER:	Councillor Lynne Hale, Cabinet Member for Homes and Deputy Mayor	
KEY DECISION?	No	REASON: The purpose of this report is to update Cabinet on the determinations of the Housing Ombudsman with regard to Croydon Housing Services in 2023
CONTAINS EXEMPT INFORMATION?	No	Public
WARDS AFFECTED:	All	

### 1. SUMMARY OF REPORT

- 1.1 Following service issues within Council Housing Management that arose between 2019-22, the purpose of this report is to advise Cabinet of four determinations of Severe Maladministration made by the Housing Ombudsman Service which were received by Croydon Council's Housing Directorate between May 2023 and September 2023.
- 1.2 The report sets out the response to these determinations within the context of the Housing Transformation programme and the actions taken to date to address the service issues raised by the Housing Ombudsman (HO) and its recommendations.

### 2. RECOMMENDATIONS

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

- 2.1 To note the Housing Service responses to these severe maladministration determinations at the strategic level within the Housing Transformation Programme, and action plans at a service level to address specific service concerns raised by these HO determinations.

### 3. REASONS FOR RECOMMENDATION(S)

- 3.1 Cabinet approved the Housing Transformation Programme in December 2022 to address the need to transform the services provided by the Housing Directorate to our residents.
- 3.2 This programme continues to be informed by resident satisfaction data, performance information and insight from complaints and determinations of the Housing Ombudsman.
- 3.3 This report sets out four severe maladministration determinations from the Housing Ombudsman which further shine a light on some specific failings within the service that took place mostly in 2021/22 which are being addressed both within the Transformation Programme and through service specific action plans.

### 4. BACKGROUND AND DETAILS

#### 4.1 The Housing Ombudsman Service

The Housing Ombudsman Service is in place to investigate complaints and resolve disputes involving tenants and leaseholders of social landlords including local authorities. The Housing Ombudsman (HO) works collaboratively with the Local Government Ombudsman (LGO), the New Homes Ombudsman, and the Regulator of Social Housing.

The Housing Ombudsman Service through its Complaints Handling Code sets out remedies for service failure which can be either discretionary ('should') or mandatory ('must') for the landlord to undertake. The service has increased in size as the number of investigations by the HO saw a 91% increase in cases in the first nine months of 2023-24, compared to the same period a year earlier.

The Code defines what constitutes a complaint and describes best practice in terms of accessibility of the complaints process for residents and for the administration of complaints.

When a resident refers a complaint to the HO there are a range of findings the HO may arrive at following an investigation. The most serious of these potential findings are:

**Severe Maladministration** – for the most serious failings.

**Maladministration** – Where a failure has adversely affected the resident.

**Service Failure** – Where there is a minor failing but action to put this right is still needed.

**Redress** – Where there is evidence of maladministration, but the landlord has identified and acknowledged this prior to the HO's formal investigation and has taken steps and/or made an offer of compensation, that puts things right.

## 4.2 Housing Ombudsman findings May 2023 – September 2023

From May 2023 to September 2023, the Council received four determinations of Severe Maladministration (see section 5 below) relating to complaints made to the Ombudsmen in 2022 relating to service failures that occurred between 2019 and 2022.

Fig.2

### Housing Ombudsman Determinations May 2023 to September 2023

No.	Date of Complaint	Date of Finding	Findings	Service Area
202204778	11.09.19	27.07.23	Severe Maladministration	Response to reporting of ASB
			Maladministration	Complaints Handling
2022118843	04.03.20	27.07.23	Severe Maladministration	Response to reporting of ASB
			Maladministration	Complaints Handling
202215975	21.03.22	04.05.23	Severe Maladministration	Handling of Mutual Exchange application
			Service Failure	Complaints Handling
202127675	16.03.22	08.09.23	Severe Maladministration	Handling of Adaptations
			Maladministration	Complaints Handling and Record Keeping

## 5. SEVERE MALADMINISTRATION DETERMINATIONS

### 5.1 Determinations

Receiving four findings of Severe Maladministration is of great concern to the Housing Service. This means that these residents have received an extremely poor service and the Housing Ombudsman, and the Regulator for Social Housing, will be expecting us to learn from these service failures and put them right as a matter of urgency.

The Housing Ombudsman has rightly urged us to use these reports as a further springboard to improve the services we provide to our residents.

These four cases include detrimental determinations on services dealing with anti-social behaviour, adaptations and mutual exchange. General points in these findings also focus on weaknesses in record keeping and complaints handling.

We fully accept the significant failings outlined in these cases (most of which occurred in 2021 and 2022) and have apologised unreservedly to the affected residents and provided the Ombudsman with a Learning Statement. This Cabinet would like to add our own apologies to these residents for the very poor service that they suffered.

In this statement we acknowledge these significant failings, make clear that we have complied with the orders of the Housing Ombudsman in each of these cases and will learn from these to improve our service and to seek to ensure that similar failings do not happen again.

### **5.1.1 Lessons learned**

We acknowledge that there were significant failures in the way we handled these cases and would like to again offer our apologies to these residents for the difficulties they experienced.

We have embarked upon a transformation journey which seeks to improve the housing services we offer to our residents. The work carried out by the Housing Ombudsman continues to support us in this journey by highlighting areas for improvement.

We have complied with the orders of the Ombudsman for each of the cases (see below) and we will continue to learn from these to improve our service for customers and mitigate the risk of similar failings recurring. Following these findings:

- We are thoroughly reviewing the ASB policy and procedure, with particular focus on the use of the risk assessments, action plans and management oversight.
- We have provided training to all staff, specifically around high priority ASB including harassment and hate crime, to ensure that staff are confident in dealing with reports of a similar nature in the future.
- We are reviewing the Mutual Exchange Policy and Procedure, and changes are being made to reflect the learning in this case and the findings of this review.
- We continue to expand our complaints team and are continuously working to improve our systems and procedures to ensure that all complaints are responded to and handled according to our policy and procedure, keeping customers updated at every stage.
- We have implemented Complex Case Forums to bring together teams and complaints officers to address those cases which are multidisciplinary and complex to ensure we provide a consistent and fair approach. These forums are also seeking to address complex service requests to prevent them becoming complaints.

We will continue to work collaboratively with the Ombudsman and value the opportunity to learn from our cases to drive improvements for our residents and we apologise unreservedly for how these cases were historically handled.

### **5.2 Complaint 1 (202204778)**

This case centred on a report of noise nuisance from the flat above due to the installation of laminate flooring. This was first brought to the Council's attention in 2018.

Noise recording equipment was installed but these recordings were lost by the Council. Lack of progress on the case was followed by a formal complaint in September 2019 and compensation of £300 offered along with a further offer to install recording equipment.

Although the neighbour was ordered to replace the laminate flooring with carpet this was never enforced, nor was the equipment provided.

The resident continued to seek resolution from the Council including a fourth complaint in April 2022, but continuing delay and inaction meant the case was referred by the resident to the Housing Ombudsman.

### **5.2.1 Housing Ombudsman Orders and recommendations**

Following investigation by the Housing Ombudsman the Council was ordered to:

- Pay £900 in compensation.
- Provide the resident with sound recording equipment or access to a recording app to allow her to evidence the level of nuisance to allow the landlord to act suitably.
- To apologise to the resident, at Director level, for the timescales in this matter.

### **5.2.2 Council's actions in response**

The Orders for this case were completed and evidenced to the Housing Ombudsman on the 23<sup>rd</sup> of August 2023 (for those to be completed within one month) and by the 20<sup>th</sup> of September 2023 (for those to be completed within two months).

## **5.3 Complaint 2 (202118843)**

The resident reported being the target of ASB from a neighbour from 2018 onwards. The allegations included noise nuisance, taking of unsolicited photos and verbal abuse.

The resident contacted the Council on this in April 2020.

Although the Council issued the neighbour with three warning letters through May and June 2020 the abusive antisocial behaviour continued to occur into and throughout 2021 without substantive remedy or support from the Council despite the continued issuing of warnings to the neighbour and an injunction being obtained against his behaviour.

The resident moved from her home in February 2023 via a mutual exchange.

### **5.3.1 Housing Ombudsman Orders and recommendations**

Following investigation by the Housing Ombudsman the Council was ordered:

- That the Director of Housing apologise to the resident.
- To pay compensation of £2900
- For the Council to carry out a full review of the case to identify learning and improve its working practices

### **5.3.2 Council's actions in response**

All the Orders in this case were completed and evidence provided to the Housing Ombudsman on the 8<sup>th</sup> of November 2023.

## **5.4 Complaint 3 (202215975)**

The resident found someone who wished to undertake a mutual exchange in December 2021 and made a formal application that month. Due to Council delays regarding an inspection and electrical works, the other party's landlord cancelled the exchange on 21 March 2022.

The resident made a formal complaint to the Council about this in March 2022 stating that the Council's delays caused the cancellation of the exchange. She also stated that previous delays by the Council in two other proposed exchanges meant they too had failed.

The Council apologised and suggested that the proposed exchange be resubmitted.

The resident referred the complaint to the Housing Ombudsman for the errors and delays of the Council.

#### **5.4.1 Housing Ombudsman Orders and recommendations**

Following investigation by the Housing Ombudsman the Council was ordered to:

- Pay £700 in compensation.
- To provide a written apology to the resident from the Chief Executive for the handling of the mutual exchange
- To review its mutual exchange process clarifying how it intended to learn from this case.

#### **5.4.2 Council's actions in response**

The Order for an apology was evidenced to the HO on the 23<sup>rd</sup> of June 2023 and evidence for the compensation payment was provided to the HO on the 29<sup>th</sup> of June 2023. We are currently reviewing the Mutual Exchange Policy and Procedure, and changes are being made to reflect the learning from this case.

### **5.5 Complaint 4 (2021276775)**

In April 2021 this resident was contacted by the council about the commencement of works to her kitchen and bathroom under the Decent Homes Programme.

The resident has a disability and health issues and her Occupational Therapist (OT) recommended that her bath be replaced by a level access shower as well as some level access works to her kitchen.

However, disagreements between the Council and the resident developed over the level of works outside of the remit of the Decent Homes Programme.

In March 2022 the resident made a formal complaint, which did not produce a satisfactory outcome at stages 1 and 2 of the complaints process, and the resident referred her case to the Housing Ombudsman to investigate.

#### **5.5.1 Housing Ombudsman Orders and recommendations**

Following investigation by the Housing Ombudsman the Council was ordered to:

- Pay the resident £3875 in compensation.
- Organise an OT assessment of the property within 8 weeks of the issue of the HO report, to be reviewed by Housing Management to consider whether the works should be completed with the decent homes works or separately.

#### **5.5.2 Council's actions in response**



The Orders for this case were all completed and evidenced to the Housing Ombudsman by 13<sup>th</sup> of December 2023.

## **6. HOUSING TRANSFORMATION PROGRAMME**

**6.1** In December 2022, Cabinet approved the Housing Transformation Programme, a three-to-five-year programme designed to deliver a comprehensive improvement in the services provided by the Housing Directorate.

**6.2** This programme, which Cabinet monitors on a regular basis, has been developed to transform these services to residents and to provide a roadmap for return to compliance with the Consumer Standards following a regulatory notice from the Social Housing Regulator.

**6.3** Many of the findings set out in these Severe Maladministration determinations from the Housing Ombudsman, are being addressed within the scope of this programme. These include, but are not limited to, the following projects within the programme:

- High level restructure and recruitment
- Revised Performance Framework
- Resident Engagement Strategy
- Staff Training Needs Analysis and Development Programme
- Customer Service Training
- Review of policies, procedures, business process and customer journeys.

**6.4** In addition, and with each significant step in this programme, we are checking with residents to make sure that the actions we are taking will address the concerns that residents have identified. Together with this, the Transformation Programme is monitored by the Housing Transformation Board – an independent body.

## **7. COMPLAINTS HANDLING**

**7.1** It is clear, (see Fig. 2) that a common theme within these Housing Ombudsman determinations is complaints handling.

The HO gives examples of failings in this regard throughout these four cases. These are broadly:

- Not addressing an expression of dissatisfaction as a formal complaint.
- Not contacting the resident to discuss his/her concerns before responding in writing.
- Delays in responses outside of the Councils response guidelines
- Responses failing to address or acknowledge that earlier information provided was not accurate.

Work has been ongoing for some time to improve this service.

With the introduction of a Customer Insights Manager in July 2023 our focus has been to re-invigorate our approach to complaint handling and we began a series of workshops with colleagues on effective complaint handling, learning from complaints and ensuring Stage 1 responses to complaints comprehensively address all the concerns raised by residents. We have supported our teams by creating templates in line with the guidance set out in the Complaint Handling Code to ensure we have consistency in our approach when responding to complaints.

Our Designated Complaints Officers are supported centrally by the Customer Insights Manager to ensure quality and performance is monitored and that we are learning from our service failures.

We have also implemented Complex Case Forums to bring together teams and Designated Complaints Officer's to address those cases which are multi-disciplinary and complex to ensure we provide a consistent and fair approach. Going forward, Action Plans that derive from multi-service failure highlighted by Housing Ombudsman determinations will be monitored and progressed through the Complex Case Forum.

We have now recruited to all vacant posts in the Complaints Team and have also taken firm ownership of the complaints process with regard to repairs, utilising our own repair inspectors to assess the complaint, determining the correct remedy and passing to our new contractors to resolve.

From April 2024 social landlords, such as Croydon Council, must produce an annual complaints performance and service improvement report that includes a self-assessment against the code ensuring complaints handling remains in line with Ombudman's requirements.

## **8. CONTRIBUTION TO EXECUTIVE MAYOR'S BUSINESS PLAN**

- 8.1 Improvements to the homes and housing services that we provide to Council tenants, is inherent in our response to these determinations by the Housing Ombudsman, and is key to ensuring the Council delivers against the Mayor's priorities to "Invest in council homes to drive up standards and develop a responsive and effective housing service" and "Develop our workforce to deliver in a manner that respects the diversity of our communities."

## **9. IMPLICATIONS**

### **9.1 Financial Implications**

The paper sets out the Housing Service responses to these severe maladministration determinations at the strategic level. Within the HRA budget for 2024-25 onwards there are provisions made for projects within the Housing Transformation Programme which contains action plans at a service level to address specific service concerns raised by these HO determinations.

Comments approved by Orlagh Guarnori, Head of Finance (Date 21/02/2024)

### **9.2 Legal Implications**

- 9.2.1 The Housing Ombudsman Service (HOS) investigates complaints concerning registered providers of social housing in England, including local authorities in respect of their landlord functions.
- 9.2.2 Once a complainant has exhausted the local authority's internal complaints procedure, complaints can be escalated to the Housing Ombudsman pursuant to Schedule 2, Housing Act 1996 as amended by s.180 Localism Act 2011.
- 9.2.3 The purpose of the Housing Ombudsman as set out in the Housing Act 1996, and amended by the Localism Act 2011, is to administer the Housing Ombudsman

Scheme as approved by the Secretary of State for Department for Levelling Up, Housing and Communities.

- 9.2.4 The Housing Act of 1996 requires social landlords, as defined by section 51(2) of the Act, to be members the Scheme. The Housing Ombudsman Scheme enables tenants and other individuals to have complaints about members investigated.
- 9.2.5 Schedule 2 and Paragraph 7 of the Housing Act 1996 and Paragraphs 54 and 55 of the Housing Ombudsman Scheme sets out the Housing Ombudsman's powers to make orders or recommendations following an investigation. The Scheme provides that the Housing Ombudsman's may uphold or reject a complaint and make orders or recommendations, including that the member:
- a. apologise to the complainant;
  - b. pay compensation to the complainant;
  - c. performs or does not perform any of the contractual or other obligations existing between the member and the complainant;
  - d. exercises or does not exercise any of the rights existing between the member and the complainant;
  - e. undertakes or refrains from undertaking works;
  - f. review their policy or practice in relation to a matter if that policy and practice may give rise to further complaints about that matter; and/or
  - g. takes such other reasonable steps to secure redress within the legal powers of the member.
- 9.2.6 Where the Ombudsman's consideration of a complaint finds evidence of maladministration the Ombudsman may order the member to take steps to put things right.
- 9.2.7 This report sets out the determinations and recommendations made by the Housing Ombudsman in respect of its findings of severe maladministration and the actions taken by the Council in response.

Comments approved by: Stephen Lawrence-Orumwense, Director of Legal Services and Monitoring Officer. (20/03/2024)

### **9.3 HR Implications**

- 9.3.1 In the event of poor customer service and associated complaints, it is possible that the council will need to address specific concerns via application of the council's HR policy framework with the staff concerned, following the established procedures in a fair and robust manner.
- 9.3.2 Any service redesign and restructuring required to address complaints and service failings will require the application of the HR policy framework, including the restructuring and reorganisation policy and procedure, observing due regard to consultation with the affected staff and their trade union representatives.
- 9.3.3 Further work to address the customer journey experience and workforce culture should be undertaken and be congruent with work in progress across the whole Council.

Comments approved by: Dean Shoesmith, Chief People Officer 8/3/2024

## **9.4 Equalities Implications**

- 9.4.1 The Council has a statutory duty, when exercising its functions, to comply with the provisions set out in Section 149 of the Equality Act 2010. The Council must, in the performance of its functions, have due regard to its duty to:
- 9.4.2 Eliminate discrimination, harassment, victimisation, and any other conduct that is prohibited by or under this Act.
- 9.4.3 Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it.
- 9.4.4 Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- 9.4.5 Access to safe and secure housing has a great bearing on the health and wellbeing of our residents. There are clearly equalities implications for these determinations, which will be nuanced depending on each case, and require some thought as the service works to develop its action plans in response.
- 9.5.6 Equalities considerations will need to underpin any recommendations or actions arising from this work and be kept under review as the Council learns from this judgement and improves its approach and/or services.
- 9.5.7 This may include but not be limited to consideration of relevant protected characteristics as they pertain to the individuals involved, as well as consideration how the Council exercises its duty to advance equality of opportunity, particularly in terms of standard of services.

Comments approved by Helen Reeves, Head of Strategy and Policy (Date 08/03/24)

## **10 APPENDICES**

N/A

## **11 BACKGROUND DOCUMENTS**

N/A