

<b>REPORT TO:</b>	<b>GENERAL PURPOSES AND AUDIT COMMITTEE</b> <b>2 December 2020</b>
<b>SUBJECT:</b>	<b>Report in the Public Interest – Action Plan</b>
<b>LEAD OFFICER:</b>	<b>Katherine Kerswell, Interim Chief Executive</b> <b>Jacqueline Harris Baker, Executive Director of Resources</b> <b>and Monitoring Officer</b> <b>Lisa Taylor, Director of Finance, Investment and Risk and</b> <b>Section 151 Officer</b>
<b>CABINET MEMBER:</b>	<b>Councillor Hamida Ali, Leader of the Council</b>
<b>WARDS:</b>	<b>All</b>
<b>CORPORATE PRIORITY/POLICY CONTEXT/AMBITIOUS FOR CROYDON:</b> The delivery of the report in the public interest action plan forms part of the Council's overall improvement journey to strengthen its financial position, its financial governance and its overall effectiveness.	
<b>FINANCIAL IMPACT:</b> While the recommendations in this report do not have a direct financial impact in themselves, there will be costs associated with the implementation of the recommendations detailed within the report. These costs are currently unknown and an update regarding associated costs will be presented to the 18th January 2021 meeting of Cabinet for consideration and approval.	

## **1. RECOMMENDATIONS**

The Committee is recommended to:

- 1.1 Consider and review the Action Plan attached at Appendix 1B;
- 1.2 Consider any proposed amendments or feedback that it wishes to make on the action plan; and
- 1.3 Submit that feedback in a report to Cabinet at its meeting on 18 January 2020.

## **2. EXECUTIVE SUMMARY**

- 2.1 Following the extraordinary meeting of Council held on 19 November 2020, this report provides an opportunity for Members of the Committee to consider the Council's action plan to deliver the recommendations made in the recent Report on the Public Interest and to agree any comments or feedback that it wishes to make on the action plan.

### **3. BACKGROUND**

- 3.1 The extraordinary meeting of Council held on 19 November 2020 considered a Report in the Public Interest (attached at Appendix 1A) concerning the Council's financial position and related governance arrangements issued by the Council's external auditors, Grant Thornton. A copy of the report to Council is attached at Appendix 1, including the appendices to that report, namely the Action Plan (labelled as Appendix 1B) and a high-level improvement diagram (labelled as appendix 1C).
- 3.2 In considering the report, Council agreed the action plan to implement the 20 recommendations made in the report in the public interest and the four additional recommendations made by the Council itself.

### **4. REPORT IN THE PUBLIC INTEREST ACTION PLAN**

- 4.1 In agreeing the action plan, Council also agreed that the plan be presented to the next meetings of the General Purposes and Audit Committee and the Scrutiny and Overview Committee. This is to allow the respective committees to consider and review the action plan from their differing constitutional positions.
- 4.2 Following consideration of the action plan, any comments and feedback from the Committee will be reported to the Cabinet meeting scheduled for 18 January 2021. At that meeting, Cabinet will also consider any feedback from the Scrutiny and Overview Committee as well as further detail on the recommendations, timelines and accountabilities, the delivery mechanism to support the improvement work and the costs, where possible, associated with implementing the recommendations.
- 4.3 In considering the action plan, Members of the Committee should also note that Council agreed all of the recommendations listed in Appendix 1, with two amendments as follows:

#### Recommendation 1.8

Council notes that a report will be brought back to Council in November 2021 to update Members on the progress on implementing the Action Plan. Also, Council notes that an ongoing quarterly progress monitoring report will be issued to all Councillors on the progress of implementing the Action Plan.

#### Recommendation 1.9

Council notes that prior to November 2021, there will be progress monitoring on this Action Plan and other associated plans. Cabinet will receive quarterly updates on progress. Updates will also be presented to the Scrutiny and Overview Committee and the General Purposes and Audit Committee, having regard to their respective terms of reference. Council will receive quarterly reports from the Improvement Board. Also, Council notes that the quarterly progress monitoring report will be an agenda item at every subsequent Full Council, Cabinet, Scrutiny & Overview Committee and GPAC for discussion.

## **5. CONSULTATION**

- 5.1 This report forms part of the consultation on the action plan following the dedicated debate upon the Report in the Public Interest at the extraordinary meeting of Council held on 19 November 2020.

## **6. FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS**

- 6.1 The recommendations in the Report in the Public Interest and the accompanying action plan will help to ensure that the Council operates to best practice standards with regard to its financial governance and overall financial effectiveness.
- 6.2 Having stronger corporate and financial governance will help improve the underlying financial viability of the Council and the sustainability of its finances in the long term.
- 6.3 There will be costs associated with the implementation of the recommendations detailed within the Report in the Public Interest. These costs are currently unknown and an update regarding associated costs will be presented to the January 2021 meeting of Cabinet for consideration and approval.
- 6.4 Capacity and capability within the Council to deliver the recommendations is a key risk when considered against the other reviews and likely resulting recommendations and the overall improvement needed for the Council.
- 6.5 The impact of both forthcoming budget reductions and the reintroduction of COVID-19 restrictions preventing staff from attending the office will need to be carefully managed to ensure that it does not impair the delivery of the recommendations.

Approved by: Lisa Taylor, Director of Finance, Investment and Risk and Section 151 Officer

## **7. LEGAL CONSIDERATIONS**

- 7.1 The Interim Director of Law and Governance comments that there are no additional legal considerations arising from this report further to those previously detailed in Appendix 1.

Approved by Sean Murphy, Interim Director of Law and Governance & Deputy Monitoring Officer

## **8. HUMAN RESOURCES IMPACT**

- 8.1 There are no human resource impacts arising directly from the recommendations in this report. However, there will be impacts associated with the delivery of the improvement plan. The improvement plan is part of a range

of measures relating to improving the Council's financial position and it is inevitable that this will ultimately impact on the Council's workforce, when the Council's agreed Human Resources policies and procedures will be followed.

- 8.2 Human resources impacts will be appropriately reported to the relevant decision-making bodies as individual actions from the plan are implemented.

Approved by: Sue Moorman Director of Human Resources

## **9. EQUALITIES IMPACT**

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

Approved by: Yvonne Okiyo, Equalities Manager

## **10. DATA PROTECTION IMPLICATIONS**

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

**NO**

The Head of Democratic Services and Scrutiny comments that the recommendations in this report do not involve the processing of personal data and as such, there are no data protection implications arising from this report.

Approved by Elaine Jackson, Interim Assistant Chief Executive.

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

**APPENDICES TO THIS REPORT**

- Appendix 1 - Report to Extraordinary Council 19 November 2020
- Appendix 1A - Report in the Public Interest
- Appendix 1B - Action Plan
- Appendix 1C - High Level Improvement Diagram