

REPORT TO:	CABINET 7 June 2021
SUBJECT:	Croydon Renewal and Improvement Plan - Performance Reporting Framework & Measures
LEAD OFFICER:	Gavin Handford, Director of Policy & Partnership Caroline Bruce, Head of Business Intelligence, Performance and Improvement
CABINET MEMBER:	Councillor Hamida Ali, Leader of the Council
WARDS:	All

SUMMARY OF REPORT

This report provides an update on the implementation of the Council's Corporate Performance Action Plan and development of the associated performance reports as agreed at Cabinet on the 12 April 2021. The performance, finance and risk report (appendix A) will improve the corporate performance offer by providing timely and accurate performance data on programme / project status, performance against Corporate Renewal Plan KPI's, and progress against the delivery of financial savings. Monitoring of risks associated with these deliverables, as well as the impact to corporate risks, are currently being developed, and will be incorporated into future reports.

The performance, finance and risk report, appendix A, reviews performance, based on available data as at 30 April 2021. It should be noted that the 30 April is a snapshot in time and that not all data will actually relate to this time period due to time lags on data availability etc.

The creation and development of these reports is an iterative process and we will produce, build and present these reports on a monthly basis. This will mean that the contents of the reports will grow in line with the development. Therefore, the report in appendix A, is a work in progress and will continue to be developed, with a fully populated report incorporating the four areas of programmes, performance, finance and risk becoming available in September 2021.

FINANCIAL IMPACT

There are no direct financial implications arising from this report.

FORWARD PLAN KEY DECISION REFERENCE NO.: This is not a key decision

The Leader of the Council has delegated to the Cabinet the power to make the decisions set out in the recommendations below:

1. RECOMMENDATIONS

- 1.1 Note the progress that has taken place with regard to the development of a suite of reports in order to improve the corporate offer.

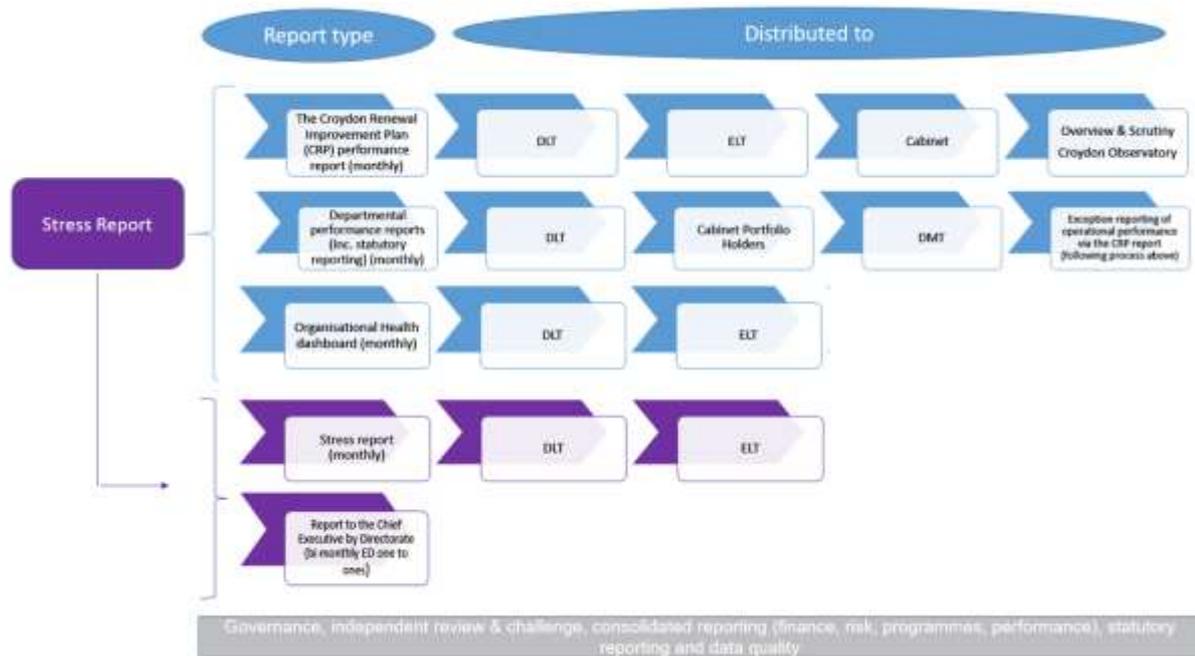
- | | |
|-----|--|
| 1.2 | Review the corporate performance and finance report (appendix A) as at 30 April 2021 with regard to KPI's, project milestones and projected savings against target, noting that this report is still in development stage. |
| 1.3 | Note that this report will be reviewed at General Purposes Audit Committee on the 10 June and Scrutiny and Overview Committee on the 15 June. |

2. EXECUTIVE SUMMARY

- 2.1 The Croydon Renewal Improvement Plan, sets out how the Council will respond to the various reviews and recommendations that have highlighted substantial need for improvements. The Improvement Plan has also identified key areas of focus which are essential to changing the overall culture of the Council to one that is evidence led, manages resources well, and is open and transparent with stakeholders.
- 2.2 The corporate performance and finance report, detailed in appendix A of this report, reviews the areas of project and programme delivery, delivery of financial savings identified and the KPI's used to monitor delivery of the actions detailed within the CRP plan. The report reviews performance as at the 30 April 2021. It should be noted that where measures are subject to a reporting time lag the latest available data has been included; this may not correspond with the reported time period.

3. Background

- 3.1 Cabinet and Council agreed in September 2020 to the development of the Croydon Renewal and Improvement Plan (CRP) which incorporates a financial recovery plan to develop a sustainable budget over the medium term, the submission to MHCLG to secure the necessary capitalisation direction as part of that financial recovery, a corporate Improvement Plan to deliver the required changes to ensure the financial investment and rebalancing of the budget is sustainable and an Improvement Board that will oversee and ensure delivery and improvement actually takes place. A further CRP update report was presented to Cabinet 12 December 2020
- 3.2 The Report in the Public Interest which forms part of the CRP, found that due to a weak performance culture within the organisation, corporately the council has been lacking in reports which provide timely and accurate performance data highlighting areas which need improving. As part of this work, the Council's current performance management arrangements, its Data Culture, Data Capability and Data Quality have been reviewed.
- 3.3 On 12 April 2021 a report was presented to, and approved by cabinet, detailing a suite of actions to create a corporate performance framework as detailed below. This reporting mechanism will ensure that what the data is telling us is visible to everyone and open to challenge.



4. The reports

4.1 Corporate performance, finance and risk report.

4.2 This report will review our performance against the delivery of the actions within the Croydon Renewal Plan providing Members, the Executive Leadership Team, Directors, Overview & Scrutiny and Residents with high-quality information on the performance of major programmes and projects, delivery of financial savings, progress of Key Performance Indicators (KPI's) and risks associated to non delivery. This report, by exception, will highlight if the projects and programmes are not running on time, and within budget, progressing against delivery of expected savings to time, or not meeting performance against KPI's. The report is produced on a monthly basis commencing with latest performance data available as at April 2021. The creation and development of this report is an iterative process and we will produce, build and present these reports on a monthly basis. This will mean that the contents of the reports will grow in line with the development. A full report is expected to be available from September 2021

4.3 The report is composed of four parts

4.3.1 **Key Performance Indicators (KPI's)** - Regular review and monitoring against the agreed performance measures. Impact performance will have against finance, risk and programme deliverables.

4.3.2 There are currently 119 KPI's within the Corporate Performance Dashboard. Some KPI's continue to be in a development stage where we are clarifying the methodology to be used and where the data can be sourced. Where targets have been set, a RAG status has been applied. KPI's which are at target will receive a green status, those within 10% of target an amber status and those which are operating below target by more than 10% a red status. Where a

measure has no target, either because it is not appropriate to set one or we are still benchmarking the measures, the RAG status will be shown as grey. Where a measure has not data or target at the moment, the RAG status will be shown as black. Please see the Croydon corporate performance dashboard of Appendix A for detailed performance data where it is available.

4.3.3 As detailed in this report, the development of this performance dashboard and the KPI's within it, is an iterative process and where measures are yet to be set with a target, methodology is under development or we are in the process of identifying a data source, this should all be in place by September 2021. Housing specific measures are to be agreed with the new Executive Director of Housing and will form part of the next report.

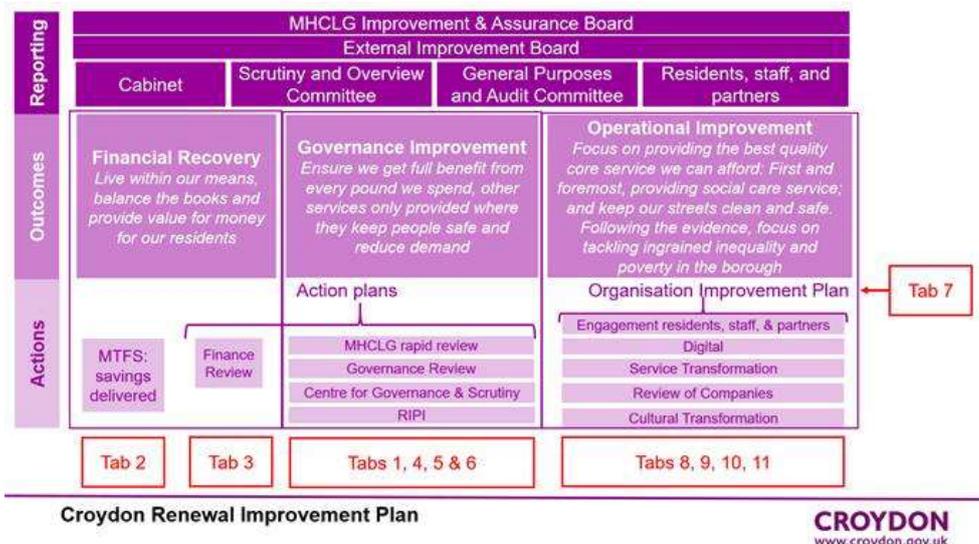
4.3.4 **Project & Programmes** - Monitoring of milestones, deliverables and issues

4.3.5 The council has established, and intends to grow, a central Programme Management Office (PMO). The purpose of the PMO is to ensure oversight and governance of delivery of the individual projects that make up the Croydon Renewal Plan (CRP).

4.3.6 Initially, there were 11 programmes of work that made up the Croydon Renewal Improvement Plan, created from all the recommendations that external and internal groups provided:

- Medium Term Financial Strategy
- Report in the Public Interest
- Adult Social Care Improvement Plan
- Children, Families & Education Plan
- Croydon Finance Review
- Governance Review
- Centre for Governance & Scrutiny Review
- Cultural Transformation
- Organisational Improvement Plan
- MHCLG Rapid Review
- Council investment, asset management, and divestment activities and relationship with its third party companies

4.3.7 Within these 11 programmes there were in excess of 600 CRP recommendations that could be treated as individual projects. These were collated into one spreadsheet that displays one tab per Programme within the CRP as detailed in the diagram below.



4.3.8 This spreadsheet formed part of the application for the Capital Directive made to MHCLG on 15th December, 2020. Between the submission date and the end of the first week of January, 2021, the projects were reviewed line by line so that any duplicate actions could be removed. This de-duplicated action list was then uploaded in to Croydon’s programme management software: “LBC Delivery Tracker”, with corresponding MS Teams cards to track progress at a granular task level. The LBC Delivery Tracker allows for centralised, regular, monitoring of both progress and confidence in delivering the projects that make up the programmes of the CRP.

4.3.9 Three year Croydon Renewal Plan - April 2021 to March 2023

- 633 actions initially identified for three year recovery
- 470 actions after initial de-duplication
- Approximately 380 actions after consolidation of similar actions
 - Within the tracker, there are now 481 actions, this is due to a request from Finance to split the generic 15% staff savings delivered last year by team, rather than department.

4.3.10 **Action status across full three year programme:** A detailed breakdown of each project can be found in section 2 Appendix A of this report

- Post de-duplication/consolidation 86 actions complete, representing £13,186,000 (finance confirmation pending)
- 51.3% of all actions are in progress
- Actions not yet underway have defined start dates across the full three years of the programme

4.3.11 The PMO have established a RACI Framework that clearly explains which individuals are **R**esponsible, **A**ccountable, **C**onsulted, and **I**nformed with regard to the delivery of projects within the CRP. The PMO meet with those responsible and accountable for delivering projects regularly, and ensure that the LBC delivery tracker provides an accurate reflection of the current project status, covering the following areas:

- Delivery progress

- Financial progress
 - Risks, issues and associated mitigations
- A Community of Practice within the Council has been established, where best practice, training, key messages for project and programme managers can be shared.
 - Developed a new Project initiation process.
 - Met with Essex County Council, the LGA, Waltham Forest, Camden and other local authorities, to discuss delivery assurance and governance. Essex CC in particular have shared their best practice documentations and given feedback on the Croydon process.

4.3.12 **Financial savings** - Savings and growth targets as identified in the Croydon Renewal Action

4.3.13 The Financial Monitoring Report for period one of the 2021/22 financial year, presented to Cabinet on the 7 June 2021 details projects that are at risk of delivery. Table 2a of the Financial Monitoring Reports provides full details of MTFs savings risks with a brief commentary of the projects that are at risk of delivery. To date, the total savings at risk are £1.65m

4.3.14 The Financial Monitoring Report for period 2 which will be presented to cabinet on the 12 July will update progress of these at risk savings. If these savings are deemed to be definitely non-deliverable they will be factored into the monthly forecast and incorporated into the forecast outturn position.

4.3.15 **Risk** - This report will monitor the risk to the delivery of the CRP actions and savings and the potential impact against corporate risks and mitigation in place. This section of the report remains under development and it is anticipated that the report to cabinet in September will contain risk updates

5. **Departmental and statutory performance reporting** – as detailed in the report of the 12 April, these reports will include a suite of measures from the CRP report, operational performance reports and statutory measures. These reports will be presented at monthly Departmental Leadership Team meetings to allow a process of review, check and challenge by the Executive Director with their Directors. Executive Directors / Directors will be responsible for discussing the contents of departmental and statutory performance reports with the relevant Cabinet Member to ensure line of sight and accountability. The first of these reports were presented to DLT's on the 12 May. Presentation of these reports to DLT's will take place on a monthly basis, having formed a standing item on DLT agenda's.

6. **Organisational Health Dashboard** – This dashboard contains detailed information relating to the organisations workforce and residents, specifically looking at areas of agency spend, sickness, staff turnaround and satisfaction, complaints, FOI requests and so on. Further development work is taking place and we are currently developing two additional modules to the current

dashboard to include Health and Safety and Equalities measures. Data from this dashboard, which can be accessed in real time outside of the reporting framework, will be reported to Cabinet, DLT's, and ELT on a monthly basis, by exception, with the developed modules becoming part of the suite from September 2021.

7. **Stress report** – as detailed in the report of the 12 April, the Stress report will be used to support the Executive Leadership Team to scan for;
- unintended consequences as a result of the changes the council needs to undertake over the next three years;
 - Potential increased demand, population demographics, risks, expenditure and the impact these may have to the council and its journey, and the impact on residents;
 - Areas of continued underperformance in areas of the council - as identified via Departmental Leadership and service reports;
 - Areas of performance where the current direction of travel is in a downward trajectory – as identified via Departmental Leadership and service reports;
 - Areas of high spend low output;
 - Ensuring there are 'no surprises' and always for informed and planned decision making;
 - Ensuring the use of robust data, including financial and benchmarking to support the delivery of the new priorities for the council.

7.1 Work is currently under way in the development and design of this report and it is anticipated that production will commence in July 2021 with a full version of the report complete for monthly dissemination to ELT from September 2021.

8. **Report to the Chief Executive** – These reports will focus on the data from the suite of reports as detailed above, with the focus being on one department per report. This will allow for informed one to one sessions between the Chief Executive and the relevant Executive Director. Developmental work continues on this report.

9. **Frequency of reporting**

9.1 As agreed at the 12 April Cabinet meeting, once the framework is fully established and implemented, performance reporting will take place at different frequencies as deemed appropriate (monthly, quarterly, annually) depending on the type of report and audience. Performance reports to Cabinet will be presented on a monthly basis, with frequency of reporting being reviewed in November 2021.

9.2 Reporting to ELT, DLT and Cabinet Members will take place on a monthly basis and will be aligned with the financial reporting timetable. The first of these reports were presented to DLT's on the 12 May and to ELT 18 May 2021, and are now a standing item on DLT and ELT agenda's.

10. Creation of an internal control board – performance management

- 10.1 As part of the Council's improvement programme, a series of control boards will be established. It is proposed that an Internal Control Board for Performance is created with members from all parts of the organisation such as HR, CDS, Finance, Performance, System Leads, and Subject Matter Experts (statutory). This will strengthen operational oversight of performance and data across all areas of the organisation. This control board will be developed as part of the Eco System work.

11. Data Not Received (DNR) reporting

- 11.1 In order to support the culture change toward performance management across the whole organisation, where data has not been received / input into relevant systems to allow for the data to be extracted in time for report production, reports will contain a section detailing areas where we have been unable to report. This will allow accountable offers to investigate why data has not been input into the relevant system in a timely manner, which can then be addressed.

12. REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

- 12.1 It is essential that the Council takes steps to ensure that a robust performance management plan and framework are in place, alongside the work of the Programme Management Office, Finance and Risk. Delivery against the actions in the CRIP and sustainable improvements in services are unlikely to happen without it.

13. OPTIONS CONSIDERED AND REJECTED

- 13.1 None.

14. FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

- 14.1 There are no direct financial implications arising from this report. There will be financial implications associated with the delivery of the projects and actions within the Croydon Renewal and Improvement Plan which have been factored in to the Medium Term Financial Strategy. The delivery of these projects and actions, and the resulting savings is essential. It is therefore critical that effective monitoring and reporting is in place.

Approved by: Matthew Davis, Head of Finance, (Deputy S151 Officer)

15. LEGAL CONSIDERATIONS

- 15.1 There are no direct legal implications arising from the recommendations in

this report. Any legal implications arising in relation to individual actions will be dealt with as projects and decisions come forward for approval.

Approved by: Sandra Herbert Head of Litigation and Corporate Law for and on behalf of the interim Director of Law and Governance and Deputy Monitoring Officer.

16. HUMAN RESOURCES IMPACT

- 16.1 Key to delivery of the Croydon renewal and Improvement Plan will be to retain and invest in a skilled workforce, who are enabled and engaged through a positive organisational culture. The council's workforce strategy is aligned to the Croydon Renewal & Improvement Plan and supports building the workforce skills and capacity for the future.
- 16.2 Any planned service changes through informed review, will be subject to the council's organisational change procedure and consultation with staff and trade unions.

Approved by: Sue Moorman, Director of Human Resources.

17. EQUALITIES IMPACT

- 17.1 In April 2011 the Equality Act (2010) introduced the public sector duty which Extends the protected characteristics covered by the public sector equality duty to include age, sexual orientation, pregnancy and maternity, and religion or belief.
- 17.2 Section 149 Equality Act 2010 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.
- 17.3 Having due regard means consciously thinking about the three aims of the Equality Duty as part of the process of decision-making. This means that decision makers must be able to evidence that they have taken into account any impact of the proposals under consideration on people who share the protected characteristics before decisions are taken. Equalities impact assessments will be a key part of our governance framework for the Improvement Board, with direct input from the Council's Equality & inclusion Manager.

Approved by: Gavin Handford, Director of Policy & Partnership.

18. DATA PROTECTION IMPLICATIONS - WILL THE SUBJECT OF THE REPORT INVOLVE THE PROCESSING OF 'PERSONAL DATA'?

18.1 **NO** - The Director of Policy & Partnership comments that there are no data protection implications arising from the contents of this report

Approved by: Gavin Handford, Director of Policy & Partnership.

19.0 REASONS FOR RECOMMENDATIONS/ PROPOSED DECISION

19.1 It is essential that the Council takes steps to address the necessary improvements required to enable Croydon Council to be a financially sustainable council delivering value for money efficient and effective services.

CONTACT OFFICERS:

Caroline Bruce, Head of Business Intelligence, Performance and Improvement
Craig Ferguson, Business Insight Manager

APPENDICES TO THIS REPORT:

Appendix A – Corporate performance and finance report

BACKGROUND PAPERS:

Croydon Renewal and Improvement Plan