

CABINET REPORT

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| REPORT TO: | CABINET 21 March 2022 |
| SUBJECT: | Finance, Performance & Risk performance report (Croydon Renewal and Improvement Plan) - |
| LEAD OFFICER: | Gavin Handford, Director of Policy, Programmes & Performance Caroline Bruce, Head of Business Intelligence & Performance |
| CABINET MEMBER: | Councillor Hamida Ali, Leader of the Council |
| WARDS: | All |

SUMMARY OF REPORT

The Finance Performance & Risk report in Appendix A, provides timely and accurate performance data on

- programme / project status
- performance against Corporate Renewal Plan measures
- progress against the delivery of financial savings
- any risks associated with these deliverables, as well as the impact to corporate risks.

In addition, it reports progress and issues related to the delivery of the Croydon Renewal Plan, and associated performance reports as agreed at Cabinet on the 12 April 2021. The report, in appendix A, reviews performance based on latest available data as of 31 December 2021. It should be noted that the 31 December 2021 is a snapshot in time and that not all data will relate to this time period due to time lags on data availability etc.

The report is produced and presented on a monthly basis to Departmental and Corporate Management Teams, and Cabinet Members on a bi-monthly basis to allow check and challenge of performance.

Year end performance will be reported at the 8 June meeting together with the refreshed measures for 2022/23 based around the corporate priorities and refreshed Corporate Renewal Plan.

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 Review the Finance, Performance & Risk report (appendix A) as of 31 December 2021(unless otherwise stated) with regard to overall performance against the Croydon Renewal Plan. Review areas of good performance and those of concern.
- 1.2 Note plans in place to address current and future performance for Freedom of Information and Subject Access Requests (section5).
- 1.3 Note the progress made, and areas of concern, against programmes and projects in relation to milestones, deliverables and issues.
- 1.4 Note the progress made, and areas of concern against savings and growth targets as identified in the Croydon Renewal Plan. More detail on this area can be found in Table 2a of the Financial Monitoring Report also being presented at this Cabinet meeting.
- 1.5 That Cabinet identify areas of performance within the FPR report (appendix A) where they require deeper analysis to be presented at a future Cabinet for discussion and action.

2. EXECUTIVE SUMMARY

- 2.1 The Croydon Renewal 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 Finance, Performance & Risk report detailed in appendix A of this report, reviews the areas of project and programme delivery, and the measures used to monitor delivery of the actions detailed within the CRP plan, as well as monitoring the performance of the organisation. The report reviews the period up to and including 31 December 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, 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.
- 3.2 On 12 April 2021 a report was presented to, and approved by cabinet, detailing a suite of indicators and a range of actions to create a corporate performance framework. This reporting mechanism ensures that what the data is telling us is visible to everyone and open to challenge.

3.3 At the Cabinet meeting on the 15 November 2021 it was agreed that the frequency of reporting would change from monthly to bi-monthly.

4.0 Corporate Finance, Performance & Risk (FPR) report (appendix A)

4.1 This report reviews our performance against the delivery of the actions within the CRP providing Members, the Corporate Management Team, Directors, Overview & Scrutiny and Residents with information on the status of major programmes and projects, delivery of financial savings, progress of against performance indicators and risks associated to non delivery. This, and historical performance reports monitoring the progress against the CRP and presented to Cabinet can be viewed at <https://www.croydon.gov.uk/council-and-elections/freedom-information-and-corporate-performance/corporate-performance>

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

4.2.1 There are currently 119 PI's which form the framework for the CRP. The performance report in appendix A, gives an overview of current performance, areas doing well and those which require more attention. In addition, for reference, the back of the report details all 119 measures within the framework, with service commentary (where supplied) as to the actions in place to address under performance. These are listed by department and division for ease of reference. PI's which are at, or above target will receive a green status, those within 10% of target an amber status and those which are operating below target 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 no data or target at the moment, the RAG status will be shown as black.

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

4.2.3 Details of each individual project are collated within "LBC Delivery Tracker", with corresponding MS Teams cards to track progress at a granular task level. The tracker allows for centralised, regular, monitoring of both progress and confidence in delivering the projects that make up the programmes of the CRP.

4.2.4 **Three year Croydon Renewal Plan - April 2021 to March 2023**

Within the tracker, there are now 476 actions, representing the three year plan, this includes the nine recommendations from the ARK report linked to Croydon's Housing Improvement Plan.

4.2.5 **Action status across full three year programme as of 08/02/2022:**

To date 173 Renewing Croydon Programme actions are marked as complete, 124 relate to the 21/22 Medium Term Financial Strategy Programme. Please refer to the Financial Performance Report also presented at this Cabinet.

- 83.8% of all actions are in progress (399 of 476)

Actions not yet underway have defined start dates across the full three years of the programme

- 4.2.6 Appendix A of this report provides an overview update against each of the programmes.
- 4.2.7 **Financial savings** - Savings and growth targets, as identified within the MTFS project of the Croydon Renewal Plan, are £82.563m and £132.563m respectively. Breakdown of the savings and risk were previously provided to Cabinet in March 2021 under Appendix A.
- 4.2.8 The Financial Monitoring Report for period 10 of the 2021/22 financial year, being presented to Cabinet on 21 March 2022, details projects that are at risk of delivery. Table 2a of the Financial Monitoring Report provides full details of MTFS savings risks with a brief commentary of the projects that are at risk of delivery. To date, there are £5.253m worth of savings that are identified as not deliverable. Services are currently carrying out further work to ensure these can be delivered or otherwise mitigated. So far, no specific mitigations have been fully identified. Directorates are working up proposals to bring these savings at risk back on track. 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.
- 4.2.9 **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. There are currently 133 risks on the strategic risk register. These are cross referenced monthly against the PMO risk register monitoring the risk to delivery of projects and the impact against these strategic risks.
- 4.2.10 All corporate risks are currently reviewed with DMT's on a quarterly basis, with red risks being reviewed on a monthly basis by CMT to allow for horizon scanning and challenge. Review dates will be synchronised across the council, to ensure synergy with the reporting timetable for the Finance Performance and Risk report which goes to DMT and CMT on a monthly basis and to Cabinet bi-monthly. This will allow the review of risks to take place against the overall performance of the council and help to identify any potential impact. It is expected that this combined reporting cycle will commence in quarter 2 2022/23.
- 4.2.11 **Analysis and Benchmarking** - As detailed in previous reports to Cabinet, the FPR report will seek to provide further analysis and benchmarking into areas where Cabinet requires more focus on areas within the report noted as underperforming in order to allow the necessary check and challenge. Cabinet is asked to review the report and identify the area/s they wish to review as part of the September FPR report which will be presented to Cabinet.

5 Freedom of Information (FOI) and Subject Access Requests (SARs)

- 5.1 The FOI/ SAR function was transferred to CDS in October 2021. At this point there was an increasing backlog of outstanding requests over the statutory

deadlines and an increasing number of both corporate and Information Commissioner's Office (ICO) complaints being received.

5.2 A review and action plan have been devised to bring the service performance under control by June 2023. With these key objectives:

- Reduce the increasing backlog and bring down complaints (ICO and Corporate)
- Improve the current internal processes, make information accessible, and embed clear roles and responsibilities across the organisation.
- Review the organisational model of the team to sustain improved performance rate.
- Improve performance and meet statutory deadlines for both FOI and SAR.

5.3 The immediate actions that have been taken to address the high risk factors and improve performance quickly are:

- Approved budget for immediate measures.
- Inject temporary resource into the team (Previous team of 2 FTE is currently 7FTE and a manager).
- Increased communication with requestors and the ICO to ensure that all are aware of the improvements being made and any delays incurred.
- Review the current process to remove inefficiencies and work with high request areas.
- Implement regular weekly reporting to review and track progress, identify trends.
- Utilise exemptions at the earliest opportunity and upskill individuals across the organisation.

5.4 Currently we have managed to increase the resource within the team by 5 FTE until the end of March 2022. We have improved communication with all requestors to ensure that they are aware of the teams current working constraints. We are also providing new deadlines for all cases that are being worked on. The table below shows the number of outstanding cases has reduced significantly.

| | November 2021 | February 2022 |
|-----------------|---------------|---------------------|
| Outstanding FOI | 1477 | 589 (40% reduction) |
| Outstanding SAR | 308 | 161 (52% reduction) |

5.5 To ensure the sustained performance going forward, we will

- Create and embed; strategy and policy for the Council's position on information governance which will support the enhanced service for FOI and SAR
- Seek to benchmark Croydon's performance, policy and process against other Local Authorities.

- Review the operating model for the service to ensure that it is able to deliver and sustain an improved performance, including roles and responsibilities.
- Review the current technology used to support this process (Case management system, file transfer software).
- Publish more data openly to support utilising exemption 21 (Information accessible by other means) create publication scheme.
- Create guidance on refusal of a request, considering cost/ time restrictions (Over 18 hour to respond, what constitutes a vexatious request, repeat requests).

6.0 Departmental and statutory performance reporting – These reports continue to be presented to all Departmental Leadership Team meetings with the latest review taking place on the 16 and 23 February 2022. This process continues on a monthly basis. Corporate Directors / Directors are responsible for discussing the contents of departmental and statutory performance reports with the relevant Cabinet Member to ensure line of sight and accountability.

7.0 Independent non- statutory review

7.1 An independent non-statutory review was carried out in November 2020 for the Ministry for Housing, Communities and Local Government (MHCLG as was). The 2020 independent non-statutory rapid review report focused on themes aligned to Best Value principles:

- Governance
- Culture and leadership
- Financial stability
- Services
- Capacity and/or capability to improve,

7.2 Following the review, a set of recommendations were suggested by the review panel. These were accepted by the council and incorporated into the Croydon Renewal Plan.

7.3 The Council invited the independent rapid review team back to review progress on recommendations and produce a report outlining their opinion to the council on these matters. The follow up review took place between the 18 October to 7 November 2021, with a report on the outcomes going to Cabinet in December 2021.

<https://democracy.croydon.gov.uk/documents/s34105/Appendix%201%20-%20Independent%20Non-Statutory%20Review%20Follow-Up.pdf>

7.4 The report provides update on progress over the year (2020/21) and areas where more focus is required. The corporate Programme Management Office are currently working through the findings to produce an action plan which will be incorporated into the refreshed Croydon Renewal Plan.

8.0 Reporting for 2022/23

8.1 Work has begun to review the current PI's within the FPR report (appendix A)

to ensure that the existing performance measures within the CRP framework continue to be fit for purpose in ensuring that the correct outputs are being met and actions delivered on. In addition, it is important that measures reflect the Council's priorities for the coming year, as well as the refreshed Corporate Renewal Plan.

- 8.2 The Business Intelligence and Performance service will work with directorates to ensure that the measures are fit for purpose, measurable, realistic but challenging, and where possible can be compared to the performance of other London Boroughs, London and Nationally.

9.0 REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

- 9.1 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.

10.0 OPTIONS CONSIDERED AND REJECTED

- 10.1 None.

11. FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

- 11.1 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 into 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)

12.0 LEGAL CONSIDERATIONS

- 12.1 The Head of Litigation and Corporate Law comments on behalf of the Director of Law and Governance that section 3(1) of the Local Government Act 1999 requires the council as a best value authority to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness. Monitoring of performance information and acting on the findings are an important way in which that obligation can be supported.

- 12.2 For the purpose of deciding how to fulfil the duty arising under subsection (1) an authority must consult—
- (a) representatives of persons liable to pay any tax, precept, or levy to or in respect of the authority,
 - (b) representatives of persons liable to pay non-domestic rates in respect of any area within which the authority carries out functions,
 - (c) representatives of persons who use or are likely to use services provided

by the authority, and
(d) representatives of persons appearing to the authority to have an interest in any area within which the authority carries out functions.

- 12.3 In deciding how to fulfil the duty arising under section 3 (1), who to consult under section 3 (2), or the form, content, and timing of consultations under that subsection, an authority must have regard to any guidance issued by the Secretary of State. The most recent version of this guidance was published in March 2015:

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/418505/Revised_Best_Value_Statutory_Guidance_final.pdf

- 12.4 Any legal implications arising in relation to individual actions will need to 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.

13.0 HUMAN RESOURCES IMPACT

- 13.1 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.

- 12.2 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: Elaine Jackson, Interim Assistant Chief Executive.

14.0 EQUALITIES IMPACT

- 14.1 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.

- 14.2 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.

- 14.3 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, Programmes & Performance

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

15.1 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.

16.0 REASONS FOR RECOMMENDATIONS/ PROPOSED DECISION

16.1 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
- Craig Ferguson, Business Insight Manager

APPENDICES TO THIS REPORT

- Appendix A – Finance Performance and Risk report – Latest available data as of 31 December 2021.

BACKGROUND PAPERS

- Croydon Renewal and Improvement Plan
- Independent non -statutory review, London Borough of Croydon, one year on.
- <https://democracy.croydon.gov.uk/documents/s34105/Appendix%201%20-%20Independent%20Non-Statutory%20Review%20Follow-Up.pdf>