

Improvement and Assurance Panel

London Borough of Croydon

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Intervention Exit Strategy

Preface

The government's proposals for the process of exiting an intervention are currently the subject of a wider consultation encompassing all aspects of intervention. The value in having clarity from the outset in identifying the route an authority should take to exit intervention is nonetheless inescapable. While navigating that route will necessarily be an iterative process (not least in that, at the point of initiation of an intervention, not all of the issues facing an authority may be fully clear or well enough understood), having a plan from which to work helps all involved have a sense of the challenges involved in the endeavour that needs to take place. It also provides a direct 'thread' leading from the clear expression of the problem that has precipitated the intervention (via an External Assurance Review, for example) and the intended solution.

This exit strategy has been produced following the initiation of a statutory intervention at Croydon in July 2023. There has, however, been a non-statutory intervention in place since 2021, initiated following a series of reports, including two Reports in the Public Interest issued by the Council's auditors and an External Assurance Review ('the Rapid Review' of November 2020) commissioned by the Department for Levelling Up, Housing and Communities (DLUHC). During this time the Council has made very good progress towards resolving many of the failings that these reports uncovered. The Council has also during this time unearthed other problems which were not identified in those earlier reports, and which have significantly added to the scale of the challenge, not least in financial terms.

While this strategy is necessarily concerned with looking forward, and setting out the key challenges that remain to be tackled, it is nonetheless reasonable that it also picks up on the work undertaken thus far, and so provide that 'thread' which leads from the problem to its resolution.

Intervention Timeline

In Autumn 2020 Croydon Council was issued with a Report in the Public Interest identifying significant failures in leadership, governance and financial management. These wide-ranging failures had precipitated an immediate crisis in financial terms, which centered on the Council's strategy of commercial investment and residential development. In November 2020, the Council issued its first S114 notice, flagging that it was in a position whereby it could not continue to operate without exceptional financial support.

In December 2020, the Council requested exceptional financial support of over £150m over four years from 2020/21. The government provided an immediate Capitalisation Direction of £70m for 2020/21 designed to address outstanding deficits and commitments, with further Capitalisation Directions of £50m for 2021/22 and £25m (in-principle) for 2022/23.

In response to the findings of the Report in the Public Interest and the External Assurance Review commissioned by the Department, the then Secretary of State for Levelling Up, Housing

and Communities appointed a non-statutory Improvement and Assurance Panel. The Panel was appointed to advise and support the Council's recovery efforts and to report to the Secretary of State at regular intervals on the progress of the 'Croydon Renewal Plan' developed by the Council as a response to the crisis and as a basis for the Council's recovery, financially and in all other respects. It is worthy of note that in pursuit of this Plan, the Council has so far delivered £90m savings in 2021/22 and 2022/23 and a further £36m is planned for 2023/24.

However, requirements laid upon the Council as a result of external audit reviews of past expenditure and resulting from the Council's own review of its accounting arrangements (the 'Opening the Books' initiative initiated by the Executive Mayor in 2022) identified that the full scale of the Council's financial challenges was far greater than had originally been envisaged. Ongoing annual budget errors totaling nearly £50m have had to be corrected, including erroneous charges to the Housing Revenue Account (HRA) and overstated income budgets. One-off corrections have also had to be made in relation to the incorrect accounting treatment of Croydon Affordable Homes, historic overcharging of General Fund costs to the HRA and an understated Provision for Bad Debt.

The Council has amassed £1.6bn in debt (incl. £300m HRA debt), much of it unsecured, and holds significantly less value than this in terms of assets for disposal. Whilst operational improvements, including cost reductions in delivery, have and must continue, the annual charges that are required to service this debt (which by 2024/25 is projected to be 19% of core spending power compared to the current median for England of 8%) mean that financial sustainability can only presently be achieved through the receipt of continuing Capitalisation Directions from the government, which in March 2023 were agreed totalling a further £161.6m to meet the newly discovered budget errors from 2019/20 to 2022/23, plus £63m in order to balance 2023/24. The overall 2023/24 budget was only balanced with further savings of £36m and with an exceptional and substantially above cap 14.99% council tax increase. To date, Capitalisation Directions totalling £369.6m have been approved by the government. The Council is in discussions with the government over the methods by which its financial sustainability may be restored. As of October 2023, these discussions are not yet concluded.

On 20 July 2023, the Secretary of State for the Department of Levelling Up, Housing and Communities announced the issuing of Directions to strengthen the remit of the existing Improvement and Assurance Panel as an action to secure compliance with the Best Value Duty required under the Local Government Act 1999. The Directions moved the Improvement and Assurance Panel to a statutory footing and will remain in force until 20 July 2025 unless the Secretary of State considers it appropriate to amend or revoke them at an earlier date.

Exit Strategy

This Exit Strategy is owned by the Improvement and Assurance Panel and describes the tangible improvements they expect the Council to make by March 2025. It is a reflection of the successful model of working that has been developed at Croydon between the Panel and the Council that this strategy has been developed with the full input and support of the Council. The

Strategy will provide a framework against which the Panel can report the Council's progress. It will reflect the fact the Council has plans in place to drive further improvement as well as a proven commitment and focus that is shared with the Panel on resolving Croydon's outstanding challenges. The delivery of the Strategy will enable the Secretary of State to have confidence in the trajectory of improvement of the London Borough of Croydon in meeting its duty of Best Value not only now in sustaining its ability to do so in the future.

The government's initial intervention determination was based on the recommendations of the External Assurance Review undertaken in November 2020 which identified the need to secure improvement in the following areas: -

- Governance
- Culture and Leadership
- Financial stability
- Service performance
- Capacity and Capability to improve.

In providing the previously referred to 'thread' from this time to the planned conclusion of the intervention in July 2025, we have therefore chosen to set out the ambitions of the Exit Strategy under these same headings.

In the remit given by the government in July 2023 in stepping the Panel up to a statutory role, three particular areas (Finance, Housing and Transformation) were identified as the most pressing priorities. While making reference to all of the areas within which improvement was originally identified as being necessary, we have naturally focused on these areas within this Strategy. We have also identified the incremental progress needed at milestones which coincide with our bi-annual reports on progress to the Secretary of State.

As the £1.6bn debt burden is subject to ongoing discussion with the government, there may need to be revisions made to the Exit Strategy to incorporate any determinations that the government may make on that matter.

Tony McArdle – Chair
Phil Brookes
Pamela Leonce
Brian Roberts
Jon Wilson

6 October 2023

Governance

The two Reports in the Public Interest were severely critical of governance failings at the Council. These failings were evident in structural elements of activity such as in the arrangements made for budget setting and monitoring, in record keeping; for the overview of Council-sponsored or controlled projects; and for accountability in respect of companies set up by the Council. The operating culture of the Council developed over time in such a way as to amplify these weaknesses, with little understanding being exercised or proper curiosity being demonstrated by either the political or managerial leadership, or by the scrutiny and audit functions of the Council, and with activity to address financial difficulties being largely directed towards lobbying the government for more money. Little was done to drive down cost in the operation of services (which were predominantly the highest in London) or in otherwise seeking to meet the statutory duty to constrain spending to what was affordable.

Substantial progress has been made in this area since November 2020. The initial response of simply stopping making poor decisions, fixing a target of 'London and/or sector average' in respect of costs and setting out to recover from the most evident examples of poor investment, all described at a high level in the 'Croydon Renewal Plan', have gradually been formalised into proper action plans and have been pursued with some success.

The major driver of governance change during this time was the decision by referendum in October 2021 to move the Council to a model of Mayoral decision-making. The subsequent election in May 2022 produced a Conservative Mayor, Jason Perry, but gave no overall control to the Council itself. Executive Mayor Perry has adopted what is termed a 'strong Mayor' model. The maximum level of delegated decision-making has been retained by him with only an advisory Cabinet in support.

The Executive Mayor has grasped the critical central requirement of returning to financial stability and has put this to the fore in his prioritised Mayor's Business Plan. He has accepted the need for very difficult decisions to be made in order to bring this about. We have observed that he takes a collaborative and transparent approach to taking forward these priorities, and debates upon them are vigorously and constructively held in the appropriate forums.

The Audit Committee is now independently chaired, and the Scrutiny Committee is chaired by the opposition. Whilst this is not a requirement, for Councils emerging from the sort of difficulties that Croydon has experienced it represents a mature commitment to transparency and openness which we believe is essential. Both arrangements are working much better than before, and their continued development will be hugely beneficial to the development and stability of the Council's governance arrangements.

The Council works closely with the LGA's Principal Adviser for London in respect of seeking challenge and advice, in developing and mentoring leading Members and in sourcing improvement external support for key service functions. This range of activity should

continue, and the Panel will work with the LGA (Local Government Association) to ensure that priorities for support are identified and addressed throughout this period and beyond.

Objectives	Actions and outcomes by March 2024	Actions and outcomes by September 2024	Actions and outcomes by March 2025
Operation of Governance Structures	<ul style="list-style-type: none"> Budget and Council Tax for 2024/25 set by Council following timely and well-engaged process for deliberation. 		<ul style="list-style-type: none"> Budget and Council Tax for 2025/26 set by Council following timely and well-engaged process for deliberation
Development of mature governance informing decision-making	<ul style="list-style-type: none"> Setting of work programmes for Scrutiny and Overview Committee, prioritised by the Council's Forward Plan for Decision-Making, and for Audit and Governance Committee, prioritised against the Council's risks and opportunities. 	<ul style="list-style-type: none"> Clear evidence of recommendations from Committees receiving consideration in Executive Decision-Making 	<ul style="list-style-type: none"> Setting of work programmes for Scrutiny and Overview Committee, prioritised by the Council's Forward Plan for Decision-Making, and for Audit and Governance Committee, prioritised against the Council's risks and opportunities.
External validation of the effectiveness of governance arrangements		<ul style="list-style-type: none"> Corporate Peer Challenge in place via LGA. 	

Culture and Leadership

With the change to governance arrangements at Croydon introduced through the adoption of an Executive Mayoral model, and the subsequent election of a Mayor, the Council now has very well-defined executive arrangements at a political level. The Mayor has been clear on his ambitions and his priorities, these have been set out in the Mayor's Business Plan and are underpinned by the operational plans produced to support them. There is stable and consistent political leadership, and a culture of transparency and well-ordered decision-making has been established. Political discourse is robust, respectful and well-focused within the Council's deliberative and decision-making forums.

There has been a full-scale change in management at Chief Executive and Executive Director level. Initially these were interim appointments, but the majority are now permanent, and all are very experienced appointees. The consistency in approach and capability in managing change over an extended period is paying dividends.

Management support to and operation of the Council's governance arrangements is very capable and mostly based on best practice acquired through experience elsewhere. Reports and advice in respect of decision-taking are comprehensive, timely and clear. There is evidence of staff confidence in the changes. The emphasis of future work is in bedding-in these changes and in modelling the management behaviours that accompany them so that staff generally gain confidence that the Council is now very different from the one which got itself (and them) into such difficulties.

Objectives	Actions and outcomes by March 2024	Actions and outcomes by September 2024	Actions and outcomes by March 2025
Organisation Culture improvement	<ul style="list-style-type: none"> • Reintroduce annual residents survey and analyse data to drive service improvement in targeted areas. • Reintroduce annual staff survey and regular pulse staff surveys and analyse data to drive improvements in working environment. • Staff sickness and turnover rates tracked and analysed and workplan in place to improve. • Complaints response time tracked, analysed and programme in place to improve. • Develop a new Council wide approach to resident engagement involving residents in co-design. 	<ul style="list-style-type: none"> • Council has a baseline for resident trust and satisfaction levels with subsequent surveys showing improvement. 	<ul style="list-style-type: none"> • Resident trust and satisfaction levels more in line with local government averages.

Financial Stability

As referred to above, the Council is in discussion with the government over the scale and nature of further extraordinary financial assistance. Hitherto, this has been by way of recurring Capitalisation Directions. As the Council stabilises and works through its challenges, so greater clarity is emerging over the precise scale of the financial challenge and of the nature of any such extraordinary support that would need to be provided. In any event, the Council has accepted the need to help itself towards stability to the greatest degree possible through spending prioritisation, efficiency savings and productivity enhancements, and asset disposals, underpinned by its updated Transformation Strategy.

In respect of asset disposals, the plan agreed in November 2022 is due to be reviewed in November 2023. The Council recognises that as it has had to increase the scale of financial support sought from government substantially since the current plan was set, and a revised plan needs to reflect the Council's best endeavours to derive value from such asset disposals so as to limit future exceptional funding requirements.

Objectives	Actions and outcomes by March 2024	Actions and outcomes by September 2024	Actions and outcomes by March 2025
Council's finances on a sustainable footing.	<ul style="list-style-type: none"> Balanced budget achieved for 2024/25 (with exceptional financial government support) An updated Transformation Programme is in place, which supports the delivery of the MTFS (Medium Term Financial Strategy). 	<ul style="list-style-type: none"> Continue strategy of reducing unit costs across Council services. 2023/24 outturn is within the approved budget without using unplanned reserves. Planned savings were delivered. Q1 budget monitoring for 2024/25 is forecasting at least a breakeven position or agreed actions are in place to address identified forecast overspends. 	<ul style="list-style-type: none"> A balanced 2025/26 Budget and MTFS is in place. (This will be possible with either further exceptional financial support or via resolution of the discussions taking place with the government over the methods by which financial sustainability may be restored). An independent financial resilience assessment, including adequacy of reserves, and provisions has been undertaken and no significant concerns identified, to take place from Q3 24/25. The latest budget monitoring report for 2024/25 is forecasting at least a balanced outturn. Annual accounts for 2021/22, 2022/23 and 2023/24 have been completed and audited. All identified legacy financial issues have been addressed. Reduce service costs to agreed sustainable level, with plans for further cost reduction in place through 2025/26 budget, as identified in the MTFS.
Robust finance governance procedures are in	<ul style="list-style-type: none"> A Financial Improvement Plan (FIP) has been agreed 	<ul style="list-style-type: none"> The Annual Governance Statement for 2023/24 demonstrates evidence 	<ul style="list-style-type: none"> All RIPI and external audit recommendations that pre-date

Objectives	Actions and outcomes by March 2024	Actions and outcomes by September 2024	Actions and outcomes by March 2025
place, delivered by a capable Financial Services division	by the Improvement and Assurance Panel.	that the Council has reached an overall assessment of substantial assurance. <ul style="list-style-type: none"> The FIP is on-track. 	September 2023 have been implemented. <ul style="list-style-type: none"> Progress against the Annual Governance Statement Action Plan for 2023/24 demonstrates continuous improvement has been embedded. The FIP demonstrates significant progress including improvements to the Oracle system completed; capacity and capability of Financial Services is good; financial risk management is effective; financial control environment including Internal Audit and Audit Committee are operating well.
Maximise asset sales to reduce debt.	<ul style="list-style-type: none"> Review Asset Disposal Strategy (Nov 2023) in order to identify all non-essential assets for potential sale, through external review and revisit asset sales target for 2024/25. Delivery of current asset disposal plan, with £50m min achieved in capital receipts in 2023/24. 	<ul style="list-style-type: none"> Delivery of asset disposal plan for 2024/25 is on track to be achieved. 	<ul style="list-style-type: none"> Delivery of asset disposal plan, with 2024/25 target (to be agreed in Nov 2023) achieved in capital receipts.
Close down Brick by Brick	<ul style="list-style-type: none"> Brick By Brick closed down by 31 March 2024, if this 		

Objectives	Actions and outcomes by March 2024	Actions and outcomes by September 2024	Actions and outcomes by March 2025
	produces the maximum value for the Council.		
Develop Fairfield Halls business plan.	<ul style="list-style-type: none"> • Assessment completed to consider how maximum value can be achieved from Fairfield Halls on behalf of residents. • Fairfield Halls Business Plan agreed with the operator. • Finalise new lease with the current operator. 	<ul style="list-style-type: none"> • Fairfield Halls Business Plan is delivering against milestones. 	<ul style="list-style-type: none"> • Assessment completed to confirm that maximum value is being achieved from Fairfield Halls on behalf of residents.

Service Performance

Children's Services			
Objectives	Actions and outcomes by March 2024	Actions and outcomes by September 2024	Actions and outcomes by March 2025
Demonstrates compliance with all legislative and statutory responsibilities and delivers good outcomes for children and young people.	<ul style="list-style-type: none"> Refreshed self-assessment completed to inform annual engagement meeting with Ofsted. Peer review as part of South-West London alliance to provide practice assurance concluded. 	<ul style="list-style-type: none"> Evidence of progress against transformation to improve practice, manage demand, increase effectiveness, and improve efficiency. Sustain demand for statutory children's social care intervention at current or reduced level whilst keeping children safe and minimising risk. 	<ul style="list-style-type: none"> Transformation programme completed, activity and performance measures in line with comparable councils and quality of practice sustained as evidenced through inspection outcomes, particularly ILACs, but also JTIA, SEND (Special Educational Needs and Disabilities) and YJS.
Ongoing delivery of the SEND agreed Safety Valve Plan and SEND strategy 2023 – 2026 which will mitigate risks to avoid burden on General Fund.	<ul style="list-style-type: none"> Safety Valve milestones agreed with Department for Education (DfE) within Grant Conditions. 	<ul style="list-style-type: none"> Agreed milestones met. 	<ul style="list-style-type: none"> On track to achieve balanced budget with no in year overspend by end of 25/26.
Transformation programme in place to maximise efficiency and effectiveness, optimise outcomes and manage demand.	<ul style="list-style-type: none"> Focus agreed and project scoped. Procurement for external delivery partner completed. 	<ul style="list-style-type: none"> Diagnostic delivered and programme of work agreed. Testing of new operating models. Benefits and savings tracked. 	<ul style="list-style-type: none"> Implementation of new operating models. Benefits and savings on target to be achieved. Trajectory for future activity and spend identified.
Secure external challenge partner to maximise efficiency and effectiveness.	<ul style="list-style-type: none"> Challenge focus agreed and project(s) scoped and ready to initiate. 	<ul style="list-style-type: none"> The right children are in the right placements at the right cost. 	<ul style="list-style-type: none"> Unit costs reduced to be in line with DfE statistical neighbours.

Adult Services			
Objectives	Actions and outcomes by March 2024	Actions and outcomes by September 2024	Actions and outcomes by March 2025
Demonstrates compliance with legislative and statutory responsibilities and delivers good outcomes for residents.	<ul style="list-style-type: none"> • Care Quality Commission self-assessment completed. • Peer review concluded. • Improvement plan developed and enacted. • Quality assurance framework in place to provide practice assurance. 	<ul style="list-style-type: none"> • Key business systems, data, and business intelligence systems in place to provide sound management information. • Adult Social Care Outcomes Framework and other outcomes data is comparable with similar authorities. 	<ul style="list-style-type: none"> • Quality of practice and delivery of outcomes is assured as evidenced by data and CQC Assessment. • Activity and performance measures in line with comparable councils.
Transformation program in place to optimise outcomes, Manage Demand and deliver sustainable budget.	<ul style="list-style-type: none"> • Procurement for delivery partner completed. • Diagnostic delivered and programme of work agreed. 	<ul style="list-style-type: none"> • Testing of new operating models. • Benefits and savings tracked. 	<ul style="list-style-type: none"> • Implementation of new operating models. • Benefits and savings on target to be achieved. • Trajectory for future activity and spend identified.

Community and Place (SCRER Directorate)

Objectives	Actions and outcomes by March 2024	Actions and outcomes by September 2024	Actions and outcomes by March 2025
To deliver best value in respect to community assets including Libraries / Community Hubs	<ul style="list-style-type: none"> Review and analysis of library buildings, location, and provision. Options for consultation agreed at Cabinet. Analysis of consultation responses and final recommendations. 	<ul style="list-style-type: none"> Future model of provision approved which meets statutory requirements and presents best value to the Council. 	<ul style="list-style-type: none"> Implementation of approved model of service.
Procurement of the Waste, Recycling, and street cleansing contract	<ul style="list-style-type: none"> Publication of Contract Notice and Procurement Documents for competitive dialogue process (Waste, Recycling and Street Cleansing contract). Dialogue with Bidders (round 1). Dialogue with Bidders (Round 2). 	<ul style="list-style-type: none"> Final evaluation and preferred bidder (Waste, Recycling and Street Cleansing contract). Progress demobilisation of existing contract. Cabinet approval for new contract award. Commence mobilisation of new contract. 	<ul style="list-style-type: none"> New contract mobilised ready for April 2025 go live.
Parking Policy Review	<ul style="list-style-type: none"> Consultation on events and survey on draft parking policy. Options developed for revised parking tariffs. New ANPR (Automatic Number Plate Recognition) camera contract awarded. Roll out and installation of new ANPR cameras. New parking tariffs agreed. 	<ul style="list-style-type: none"> New parking tariffs implemented, and effectiveness of policy changes assessed and reported. 	

Housing

In March 2021 an ITV media report exposed the shocking living conditions endured by social housing residents living on the Council-owned Regina Road Estate, South Norwood. As the owner of these properties, the London Borough of Croydon commissioned a diagnostic report to investigate the underlying issues and failings that had led to such poor conditions. The investigation found that there were several issues leading to severe failings within the Housing directorate, including: lack of staff capacity and competence; lack of care and respect for tenants; poor use of data and intelligence; and poor performance by the repairs and maintenance contractors.

In May 2021 the Council was served a regulatory notice by the Regulator for Social Housing for breaching the Tenant Involvement and Empowerment Standard and the Home Standard. In response to these regulatory challenges and the pressing need for comprehensive improvements, an independent Housing Improvement Board was established in December 2021, with representatives from this Panel, residents, the LGA and London Councils. In addition, following extensive consultation with tenants and other key stakeholders, a Housing Transformation Programme was created in December 2022. The Programme has been developed to transform the services provided by the Housing Directorate to residents and provide a roadmap of the return to Compliance to the Regulator for Social Housing. It is a multi-year initiative, expected to span three to five years and is being delivered in phases with ongoing refinement.

Objectives	Actions and outcomes by March 2024	Actions and outcomes by September 2024	Actions and outcomes by March 2025
Croydon's housing stock is rendered safe and compliant, meeting consumer and home standards, in accordance with the voluntary undertaking.	<ul style="list-style-type: none"> Voluntary Undertaking Plan submitted to RSH (Regulator of Social Housing) and positive trajectory against the Plan achieved. 	<ul style="list-style-type: none"> Continuing to demonstrate a positive trajectory in RSH KPIs and achieving good progression against milestones. TPAS revised resident involvement framework implemented. 	<ul style="list-style-type: none"> Demonstrable compliance with regulatory framework, with the removal of the regulatory notice. Overall improvements in customer satisfaction.
The Council understands its stock, condition and the residents who live there. It has robust data	<ul style="list-style-type: none"> Housing data cleansed and contained reliable information on customers, rental income, and service charges. 	<ul style="list-style-type: none"> Improvement in delivery of housing services. Profiling information feeding into housing delivery. 	<ul style="list-style-type: none"> Rolling programme adopted to improve tenant characteristic data and clear examples of how they have been used to inform

<p>assembled and uses this to inform service delivery and maximise income.</p>	<ul style="list-style-type: none"> • Stock condition survey conducted for minimum of 33% of properties. 	<ul style="list-style-type: none"> • Confidence in income charging methodology. • On track to complete 60% surveys by March 2025 • Strong understanding of stock and the investment needed to achieve building safety and net zero compliance. 	<p>communication channels and service delivery.</p> <ul style="list-style-type: none"> • Income maximised from rents and service charges. • Up-to-date reliable stock data available and effective management of stock is underway.
<p>The long-term strategic aims and priorities of the Housing Directorate are determined by strategic business reviews.</p>	<ul style="list-style-type: none"> • HRA Business Plan. • Housing Strategy. • Asset Management strategy. • Homelessness and Rough Sleeper Strategy. • Analysis of temporary accommodation. • Permanent recruitment to senior leadership posts is complete. • Damp and Mould programme underway and effectively monitored. • Revised approach to disrepair where numbers are stabilised, and financial implications are minimised. 	<ul style="list-style-type: none"> • Strategic direction for housing services underway. • Homelessness Prevention & Rough Sleeping Strategy implemented. • New temporary accommodation model in place. • A new structure for the directorate is in place and a marked reduction in the use of interims. 	<ul style="list-style-type: none"> • All key housing services reviewed with agreed actions being implemented.
<p>The Council develops and implements a Housing Regeneration and Supply strategy</p>	<ul style="list-style-type: none"> • HRA Business Plan is informed by Stock condition survey and is approved along with Asset Management Strategy at Cabinet. 	<ul style="list-style-type: none"> • Longer-term Housing regeneration programme being implemented including LPS blocks. • Delivery of Regina Road re-building programme commences funding for first phase secured, procurement route certain, and planning application submitted. 	<ul style="list-style-type: none"> • New HRA business plan is implemented. • Regina Road programme continues, with a second phase launched.

	<ul style="list-style-type: none">• Housing regeneration and New Supply Strategy Framework in place.• An agreed procurement plan to deliver Regina Road.• Options for disposal of underperforming properties explored.	<ul style="list-style-type: none">• Housing regeneration and New Supply strategy approved at Cabinet.• Clear strategy in place regarding investing or disposing of assets.	
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Capacity and Capability to Improve

The Council's improvement plans are inherent to the Mayor's Business Plan 2022 – 26. The core expression of the Council's ambitions is set out in this Plan and is focused on balancing the books, listening to residents and delivering good sustainable services.

The Plan sets out a set of priorities and organisational principles for doing less but doing it better and for taking £100 million out of the base budget over the next four years in order to bring that about. The transformation programme for doing so was approved in November 2022 and established the foundations for change, including identification of a transformation budget of approximately £14 million across 22/23 and 23/24. The current MTFS assumes a further £5 million per annum thereafter.

This programme identifies seven portfolios comprising 39 projects designed to reduce the cost base, fix broken services, shrink assets, and ensure services do less but better. The Council has established governance to ensure oversight and delivery of this transformation programme which involves the Mayor's Advisory Board and a Transformation Internal Control Board. Corporate Directors and Directors have accountability and responsibility for the delivery of projects supported by corporate resources including a new post of Director of Transformation to ensure leadership and coordination of this activity.

The Authority is clear that, given the nature and scale of the financial challenge and the need for the Council to be sustainable, it must embark on a radical reshaping of the organisation, harnessing a renewed relationship with its workforce and residents.

Objectives	Actions and outcomes by March 2024	Actions and outcomes by September 2024	Actions and outcomes by March 2025
The Council's transformation programme is delivering continuous improvement to cost-effective services in line with MTFS.	<ul style="list-style-type: none"> • Produce a Council Transformation Strategy 24-28 that lays out milestones, deliverables and agreed project management mechanisms. • Update governance arrangements as necessary. • Undertake a stocktake of Council-wide transformation activity to ensure full alignment. • Review staffing, skills and capacity to deliver Council transformation. 	<ul style="list-style-type: none"> • Programme deliverables on track • Governance reviewed to ensure senior leadership is driving delivery. • Publish reflective and regular reviews of progress and outcomes. • Update return on investment and benefits, both cashable and non-cashable. 	<ul style="list-style-type: none"> • Programme deliverables remain on track.
Council redesign for the future.	<ul style="list-style-type: none"> • Member and senior leadership engagement. 	<ul style="list-style-type: none"> • Vision and operating model established including new ways of working. 	<ul style="list-style-type: none"> • Commence service redesign and remodelling including digital and technological solutions as well as all corporate services.
Build trust with residents.	<ul style="list-style-type: none"> • Produce options for improving resident experience and customer care. 	<ul style="list-style-type: none"> • Produce programme and related business cases. • Produce a transformation engagement and communication plan. 	
Build trust with the workforce.	<ul style="list-style-type: none"> • People and Culture Transformation Strategy and Delivery Plan on course. 	<ul style="list-style-type: none"> • Staff survey conducted. • Initiate work on refreshing values. 	<ul style="list-style-type: none"> • Achieve Investors in People.
Customer Access and channel shift.	<ul style="list-style-type: none"> • Phase One diagnostic of Methods business process. 	<ul style="list-style-type: none"> • Phase One projects in implementation and Phase Two 	<ul style="list-style-type: none"> • Phase two business cases being delivered.

Objectives	Actions and outcomes by March 2024	Actions and outcomes by September 2024	Actions and outcomes by March 2025
	<p>improvement diagnostic complete and most significant opportunities agreed with business case approval and external partner on board to support changes.</p>	<p>detailed business cases developed.</p>	
<p>A streamlined, robust and responsive procurement function with clear roles and responsibilities focused on supporting affordable service delivery across the Council's activities.</p>	<ul style="list-style-type: none"> • Review existing processes to ensure governance is in line with contract criticality and value. • Review processes in conjunction with Finance to clearly define where responsibility for tasks should sit. • Identify further process improvements through better integration with Oracle. • Develop an improvement plan and a suite of performance metrics and targets to allow the function's improvement to be tracked and compared with sector best practice. 	<ul style="list-style-type: none"> • Benchmark performance metrics against other authorities. • Demonstrate continual improvement in agreed metrics and review targets are appropriate and ambitious. • Right-size function to be fit for purpose for the volume and complexity of procurement activity. • Establish a mechanism for monitoring how the functions performance is meeting the needs of all service lines. • Ensure appropriate monitoring is in place to track performance against the targets set in the Annual Procurement Plan. 	<ul style="list-style-type: none"> • Achieving above average benchmarked performance against metrics consistently. • Demonstrate that the function is fulfilling the reasonable demands of service lines in terms of responsiveness and affordability.
<p>Put in place robust systems and sound procedures including Oracle Project –finance and HR improving most used business</p>	<ul style="list-style-type: none"> • Complete detailed Oracle improvement design and implementation plan. • Cabinet approval of Full Oracle Improvement plan and associated funding 	<ul style="list-style-type: none"> • Implementation Plan milestones being met. 	<ul style="list-style-type: none"> • Implementation Plan milestones being met. • Establishment and hierarchy held within the system are accurate with a robust

Objectives	Actions and outcomes by March 2024	Actions and outcomes by September 2024	Actions and outcomes by March 2025
<p>processes and links to operational systems such as Liquidlogic and ControCC..</p>	<ul style="list-style-type: none"> • Clear milestones for the project are in place. • Core project team defined in the September 2023 Cabinet report is in place. 		<p>Starters/Movers/Leavers process in place.</p> <ul style="list-style-type: none"> • All budget monitoring activity for capital and revenue is being undertaken within the Oracle system. • Accurate timely reporting and transaction drill-down is available in the financial system. • End to end recruitment process takes place through the Oracle system
<p>Contract management arrangements to be improved inc. register/ review/ record holding/ payment against work etc.</p>	<ul style="list-style-type: none"> • Contract management arrangements improved through key contract managers being embedded in each service team. This includes a skills / capability assessment for each identified CM and put in place a CPD/ training package to ensure they have the requisite skills and training to undertake contract management. 	<ul style="list-style-type: none"> • Regular reviews and KPI's are in place for monitoring the performance of each contract. This will include ensuring that the contract register is up to date and fully maintained, and that spend profiling against contract is developed. 	<ul style="list-style-type: none"> • Operating monitoring system in place which measures outputs, the performance of each contract and checking that the contract is delivering and meeting the outputs and benefits outlined in the business case.