

REPORT TO:	CABINET 26 JULY 2021
SUBJECT:	Croydon Renewal and Improvement Plan - Performance Reporting Framework & Measures Update
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 a further update on the implementation of the Council's Corporate Performance Action Plan and development of the Finance, Performance & Risk report (FPR), which 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, with a further update presented on the 7 June.

The FPR will improve the corporate performance offer by providing timely and accurate performance data on programme / project status, performance against Corporate Renewal Plan measures, and progress against the delivery of financial savings. Reporting against risk associated with these deliverables, as well as the impact to corporate risks, is currently in the developmental stage and will be incorporated into future reports.

The latest iteration of the FPR report, in appendix A of this report, reviews performance, based on latest available data as at 31 May 2021. It should be noted that the 31 May 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

The Cabinet is recommended to

- 1.1 Note the progress that has taken place with regard to the development of the FPR report alongside a suite of reports in order to improve the corporate offer.
- 1.2 Review the corporate FPR report (appendix A) as at 31 May 2021 with regard to performance measures.
- 1.3 Note the progress made with programmes and projects in relation to milestones, deliverables and issues
- 1.4 Note the progress made against Savings and growth targets as identified in the CRP

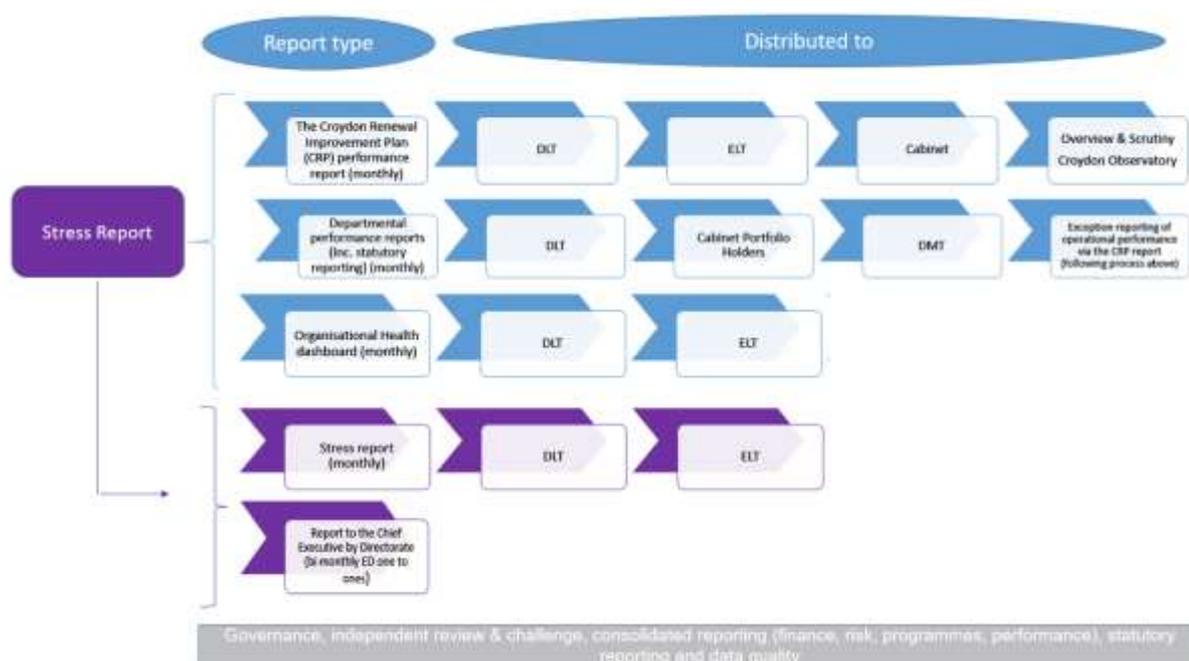
2. EXECUTIVE SUMMARY

- 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 FPR report detailed in appendix A of this report, reviews the areas of project and programme delivery, and measures used to monitor delivery of the actions detailed within the CRP plan, as well as monitoring the performance of the organisation as a whole. The report reviews the period up to and including 31 May 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 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 Finance, Performance & Risk (FPR) report

4.2 This report will review our performance against the delivery of the actions within the CRP providing Members, the Executive Leadership 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.

4.3 The report is produced on a monthly basis to allow Cabinet to monitor the progress of the development of the report and to allow for feedback and input to ensure that the final report is fit for purpose. Until such time as the report becomes a 'final' product, this remains an iterative process. A full report is expected to be available from September 2021

4.4 The report is composed of four parts

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

4.4.2 There are currently 127 PI's within the report. Some 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. 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 not data or target at the moment, the RAG status will be shown as black. As part of the overall report, there will be analysis on areas of performance where greater focus is required. This will be detailed in the overview of PI's within the report.

4.4.3 Progress since previous Cabinet meeting 7 June 2021

- Refinement of the performance measures continues to take place working with departments, DLT's, ELT and Members.
- Review of the methodology for collecting, measuring and reporting the data continues.
- Working with the Executive Director of Housing and directors is currently taking place to ensure that we have a relevant suite of measures to allow oversight of the health of the service as well as taking into account the actions from the Ark consultancy independent investigation
- Presentation of updates and incorporation of previous feedback (via DLT, ELT, Cabinet) to the report presented to DLT's (17 June) and ELT (22 June)
- Review of comparative / benchmarking data that is available. Process to incorporate into the report has begun.
- Reviewed by the Independent Assurance Panel (IAP) on 13 May and 1 July.
- Reviewed by Scrutiny & Overview panel on 15 June.

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

4.4.5 The purpose of a central Programme Management Office (PMO) is to ensure oversight and governance of delivery of the individual projects that make up the CRP.

4.4.6 Details of each individual project are collated within 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.

4.4.7 There were originally 11 programmes of work that made up the CRP. These were 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 (known as “Council Review of Companies”).

4.4.8 These 11 programmes are now sit within three areas of activity as detailed in the diagram below.



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

Within the tracker, there are now 489 actions, this increase is due to a request from Finance to split the generic 15% staff savings delivered last year by team, rather than department, and also as a result of the working group for Council Companies which has expanded the scope of that programme beyond the initial PwC recommendations, to include asset disposals and relationships with **all** council companies.

4.4.10 Action status across full three year programme as at 07 June, 2021:

To date 102 Renewing Croydon Programme actions are marked as complete in the LBC Delivery Tracker, 41 one of which relate to the Medium term Financial Strategy Programme. Please refer to the Financial Performance Report also presented at this Cabinet.

- 61.7% of all actions are in progress (302 or 489).
- Actions not yet underway have defined start dates across the full three years of the programme.

4.4.11 The table below provides an overview update against each of the programmes.

Programme	Update	Number of Complete Projects
Cultural Transformation Programme	On hold- pending clarification of governance, scope and measurable outcomes	0/5
Report in the Public Interest	Work on-going, reporting into GPAC and Cabinet quarterly. Internal Audit to begin audit of completed projects.	0/25
Council investment, asset management, and divestment activities and relationship with its third party companies	Working group chaired by Asmat Hussain & Chris Buss established with initial aim of reviewing all council companies (not just those reviewed by PwC) before the end of July. Concurrently work continues to deliver the 47 projects. New Senior Accountable Officer to be confirmed for the bulk of projects within this programme following Ozay Ali's departure.	8/47
Croydon Finance Review	Work on-going next update to GPAC in September.	12/75
Medium Term Financial Strategy	P1 monitoring complete, P2 monitoring due June 21 st . Saving assurance report given to Katherine which outlines in-years savings at risk and looks to year 2 and 3.	81/240
Centre for Governance & Scrutiny Review	Discussing with CFGS resources to support the delivery of this programme.	0/11
Governance Review	On hold- SLT aware that all funding for delivering Governance Recommendations was removed in the 2021/22 budget, placing delivery of all recommendations at significant risk of not being delivered. An application has been submitted for Transformation funding to support the delivery of these recommendations.	0/22
Organisation Improvement Plan	On hold - Programme paused pending results of Ecosystem work and Senior restructure.	TBC
MHCLG Rapid Review	All but one of the projects in this programme have been subsumed into the other programmes. The one remaining project 'Review of social care IT systems' has been sent to ELT for review.	1/1

- 4.4.12 In order to ensure the PMO are operating as effectively as possible they have;
- Established a Community of Practice within the Council where best practice, training, key messages for project and programme managers can be shared.
 - Developed a new Project initiation process.
 - Invited the LGA to complete an independent review of PMO effectiveness, which will make recommendations to the Council's Executive Leadership Team.

Updates on progress in the above areas will be provided in the next report to Cabinet on the 13 September.

4.4.13 Progress since previous Cabinet meeting 7 June 2021 - Appendix A of the report now contains an overview of the current status of programmes and projects which are going well, things to do better and ones to watch. Those going well are projects, which have remained on track, or have recently moved from being a project of concern to doing well. Things to do better are projects which were previously on track and have very recently seen a drop in delivery. This gives an opportunity for early intervention should it be required. Ones to watch are those projects where there is a risk to the delivery of the outputs expected such as savings or the milestones dates for delivery are slipping etc. Impact to financial savings are detailed in 4.3.15 of this report.

4.4.14 **Financial savings** - Savings and growth targets as identified in the CRP

4.4.15 The Financial Monitoring Report for period two of the 2021/22 financial year, presented to Cabinet on the 12 July 2021 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, the total savings at risk are £1.524m this is an increase against the £0.737m figure reported as part of the P1 reporting presented to the June 2021 Cabinet meeting. 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.

4.4.16 Progress since previous Cabinet meeting 7 June 2021 - The CRP Business Intelligence report received Finance department sign off on the 11 June.

4.4.17 **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 – These reports continue to be presented to all Departmental Leadership Team meetings with the latest review taking place on the 17 June 2021. This process continues on a monthly basis. Executive 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.

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. 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.

10. Data Not Received (DNR) reporting

- 10.1 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.

11. REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

- 11.1 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.

12. OPTIONS CONSIDERED AND REJECTED

- 12.1 None.

13. FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

- 13.1 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)

14. LEGAL CONSIDERATIONS

- 14.1 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 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 is an important way in which that obligation can be supported.
- 14.2 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.

- 14.3 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

- 14.4 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.

15. HUMAN RESOURCES IMPACT

- 15.1 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.

- 15.2 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.

16. EQUALITIES IMPACT

- 16.1 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.

- 16.2 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.

16.3 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.

17. REASONS FOR RECOMMENDATIONS/ PROPOSED DECISION

17.1 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.

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.

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

APPENDICES: Appendix A – Corporate performance and finance report

BACKGROUND PAPERS: Croydon Renewal and Improvement Plan