

Cabinet

Meeting held on Monday, 10 December 2018 at 6.30 pm in Council Chamber, Town Hall, Katharine Street, Croydon CR0 1NX

MINUTES

Present: Councillor Tony Newman (Chair);

Councillor Alison Butler, Stuart Collins, Hamida Ali, Jane Avis, Alisa Flemming, Simon Hall, Stuart King (non-voting - Job Share), Oliver Lewis, Paul Scott (voting - Job Share) and Manju Shahul-Hameed

Also Present: Councillors Muhammad Ali, Jamie Audsley, Janet Campbell, Patsy Cummings, Sean Fitzsimons, Clive Fraser, Maria Gatland, Lynne Hale, Yvette Hopley, Jason Perry, Helen Pollard, Tim Pollard, Joy Prince, Robert Ward, David Wood and Louisa Woodley

Apologies: Councillors Mario Creatura, Jason Cummings, Patricia Hay-Justice and Vidhi Mohan

PART A

104/18 **Minutes of the previous meeting**

The part A minutes of the Cabinet meeting held on 19 November 2018 were received. The Leader of the Council signed the minutes as an accurate record.

105/18 **Disclosure of Interests**

There were none or the following disclosures of interest were made:

106/18 **Urgent Business (If any)**

The Leader informed Members that the Local Government Settlement had been due to be announced following the Brexit deal vote by Parliament; however the Prime Minister had announced that afternoon that the vote would be delayed to an unspecified date. Concerns were raised that it left local government in a very difficult position and the Leader stated that it was unacceptable that no council was aware of what the settlement would be and were having to plan the forthcoming year's budget without details of the settlement. As such, the Leader informed Members that he along with council leaders of other parties across the country would be writing to the government outlining their concerns.

Brexit Preparations in Croydon

The Leader stated that Brexit potentially had a huge impact on Croydon and that it was important to ensure the message of #CroydonIsOpen is well promoted, along with the Mayor of London's #LondonIsOpen campaign.

Members were informed that there were a number of concerns due to the delay in the vote on the Brexit deal by the House of Commons, funding for local government, the fall in value of sterling, and the anticipated additional pressure on the NHS and care market in terms of recruitment. The Leader stated it was important that the council's concerns were registered with ministers to ensure they were taken into account.

Whilst it was noted that the landscape was bleak; there had been an excellent economic summit in Croydon in November at which an RBS representative spoke about how Croydon was well positioned to withstand the potential impact of Brexit on the economy. It was felt that Croydon was reasonably well shielded from the immediate impact; however recruitment remained a concern particularly in the care, hospitality and construction industries; and as such the council would work closely with the sectors in the borough to support them. The Leader informed Members that regular updates would be available on the impact and work that was being undertaken to mitigate it.

The Leader of the Opposition welcomed the paper as it was important to begin contingency planning; however stated that it was important that the administration recognised the national party was at odds with each other whereas it had the opportunity to make a positive impact on Brexit. In response the Leader of the Council noted that the Government had been found in contempt of Parliament, had delayed Parliament's vote on the deal and postponed the decision on the local government funding settlement. The Leader further informed Members that the council had taken the matter very seriously.

In response to Member questions the Leader informed Members that no suppliers had formally requested more money for current contracts. Additionally, the Cabinet Member for Finance & Resources noted that freedom of movement included goods and services; however the drop in the value of sterling had seen suppliers increase charges for services such as SEN transport. With the anticipated recruitment pressures in the care market it was assumed there would also be an increase in the cost of care. The Cabinet Member for Families, Health & Social Care further noted that the care market had reached a tipping point in 2016 and the pressures experienced in the sector had only increased.

Whilst it was noted that pressures had been experienced in the care sector, the Cabinet Member for Economy & Jobs informed Members that an employment and training event had been organised to take place that

week in Thornton Heath with local social care organisations to support the sector.

Members welcomed the report and the strong message that the council valued the contribution of the 28,000 EU residents in the borough. The support that had been provided to staff who were EU nationals was further welcomed as an example of the positive steps the council was making in supporting those affected, and it was hoped that other employers would take note of the approach.

Concerns were raised, however, regarding the cost of the preparations and whether there had been any indication from the Government regarding the support available to councils. The Leader informed Members that there was no confirmed figure for costs; however they would be considered in future.

Further concerns were also raised given the rise in hate crime following the EU referendum, and as such Members noted that the #CroydonIsOpen campaign was important in showing that the council supported all communities.

Members noted that at paragraph 8.25 of the report EU funded projects which had benefited Croydon residents were listed and covered extensive and important areas. It was suggested that the level of detail on the impact of leaving the EU was not clearly available during the EU referendum debate, and that it was important that the information was widely available. The Cabinet Member for Economy & Jobs confirmed there were a number of projects which had been funded by the EU, including those who supported vulnerable communities to enter employment.

In response to Member questions the Cabinet Member for Finance & Resources clarified that the Pension Committee had gifted the council interest in affordable homes and that in 40 years the properties would transfer to the pension fund. The investment had full protection, and if there variations in property values then it would be taken into consideration as part of the triennial review. Members were also informed that pensions were fully protected by the council.

The Leader proposed, and Cabinet supported, amending recommendation 1.7 to include the #CroydonIsOpen campaign.

The Leader of the Council delegated to the Cabinet the power to make the decisions set out below.

RESOLVED to:

1. Note the potential impact and responses to Brexit in Croydon, as set out in the report;

2. Endorse the statement that 'Croydon is open' for business and that everyone in our diverse communities is welcome;
3. Authorise officers to make arrangements to keep EU citizens in Croydon aware of the EU Settlement Scheme and work with our partners to ensure those who need it have access to support to apply for settled status;
4. Note that the Council will pay the application fee for Council employees earning less than £35,000 and their partners and children seeking settled status and encourage contractors to do the same;
5. Ensure businesses are aware of the EU citizens' rights to residency and employment as they are confirmed;
6. Agree that regular updates be provided to all councillors and relevant stakeholders for each of the key categories outlined in the report; and
7. Support the Mayor of London's #LondonIsOpen campaign and #CroydonIsOpen campaign.

108/18

Economic Growth Strategy

The Cabinet Member for Economy & Jobs informed Cabinet that a consultation with stakeholders would be undertaken to ensure a meaningful Economic Growth Strategy was written which would enable the Croydon of the future to be developed. It was the ambition of the Cabinet Member to work with all Cabinet Members and parties.

A presentation was given by the Cabinet Member which highlighted the achievements of recent years; including BoxPark opening which had reinvigorated the approach to East Croydon, over 60 events had taken place in 2018, and over 700 people had been supported into work by Croydon Works.

A strong Strategy was necessary as it was an ambition for Croydon to be a strong economic entity in its own right with businesses paying the London Living Wage and for residents to develop the necessary skills for work. It was stated that it was important to create spaces that businesses and people wanted to be in, including good schools, cultural events and excellent public realm.

Whilst work was ongoing to create Business Improvement Districts (BIDs) across the district centres to support local business, Croydon was also working internationally with delegates visiting from China and India to see the work going on in the borough.

A high priority remained to attract the right university to the borough as it was recognised that it was important to ensure there was a higher education presence in Croydon. Additionally, it was noted that it was important to ensure residents had the right skills so both residents and businesses were realising the benefits of the support available. It was noted that Croydon Works had successfully supported residents and businesses. The award winning Apprenticeship scheme was also highlighted as helping residents gain the right skills and experience, whilst also gaining high level qualifications.

Questions were asked as to how the consultation would be undertaken and the Cabinet Member stated that consultation would be undertaken through the Future Place Board, the business network and the three BIDs. Additionally, the consultation would be promoted through social media and the Federation of Small Businesses had also expressed an interest in hosting an event with the council on the consultation. The Cabinet Member further stated that ward councillors knew their wards best, and as such suggested councillor's work together to engage with businesses. The Leader noted that the suggestion the council write to all the businesses would be costly and it was effective for councillors to engage with businesses.

Members thanked the Cabinet Member and officers for the report and noted that local residents in New Addington welcomed the training scheme to support residents to gain the skills to enter the construction industry, so much so that there was a waiting list to join the scheme. Furthermore, Members were pleased to note there was a commitment in the paper to support social enterprise.

The Leader of the Council delegated to the Cabinet the power to make the decisions set out below

RESOLVED to

1. Endorse the themes and priorities of the Economic Growth Strategy for Croydon as set out below; and
2. Agree the themes and priorities be used as the basis of consultation with stakeholders and partners following which the final strategy will be prepared and submitted to Cabinet for agreement.

109/18

Proposal to Join Pan-London Homelessness Prevention Procurement Hub ("Capital Letters")

The Cabinet Member for Homes & Gateway Services stated the proposal to join "Capital Letters" would lead to improved outcomes for homeless families; including the health and education of those affected. As a not for profit organisation and potential access to £38m of grants for London boroughs, it was hoped that homelessness could be tackled with

accommodation in or near to Croydon being made available as councils would no longer be competing for Croydon accommodation. With London councils working together it was anticipated that economies of scale would also be realised.

The Cabinet Member noted that homelessness had increased by 60% nationally since 2011 with London seeing the biggest increase with a desperate shortage of affordable housing being a contributing factor and a housing allowance freeze which saw the average family being £300 short per month for the rent of their home.

The Opposition stated they welcomed the paper and the opportunity for Croydon families to be offered accommodation closer to home and achieving economies of scale through working with other councils.

In response to Member questions the Cabinet Member stated Croydon was one of the councils coming forward to join the organisation and that it remained an evolving situation. Work would continue to reduce the housing list and it was stated that it remained an ambition to move people into permanent accommodation as soon as possible.

The Head of Housing Solutions confirmed Croydon was the 12th council to join this scheme and would provide additional detailed information for the Shadow Cabinet Member on the expectations for Capital Letters in years 1 and 2, and the total number of homes to be provided.

The Leader of the Council delegated to the Cabinet the power to make the decisions set out below

RESOLVED to

1. Note the £38 million over three years potentially being made available by MHCLG specifically for pan-London collaboration on the procurement of accommodation for homeless households;
2. Approve the decision to join a Company Limited by Guarantee (provisionally, "Capital Letters London Ltd" Capital Letters) that will be established by the London boroughs to support the aforementioned aims, as an 'A' member;
3. Approve the appointment of the Head of Housing Assessment and Solutions as the Council's Member Representative of Capital Letters; and
4. Delegate authority to the Director of Housing Assessment and Solutions in consultation with the Deputy Leader and Cabinet Member for Homes and Gateway services and the Director of Law and Monitoring to approve operational staffing and arrangements, the final form of agreement and documents and all other matters

pertaining to the Council's membership of and participation in Capital Letters.

110/18

Financial Q2 Performance 2018/19

The Cabinet Member for Finance & Resources informed Members that a £1.26m overspend was forecasted before exceptional items were included. Work was ongoing to ensure that a balanced position was possible before the end of the financial year; however it was noted that the scale of austerity and the increasing level of support residents required contributed to the overspend.

The Cabinet Member highlighted that there had been a shortfall of £7m funding for unaccompanied asylum seekers, £10m of fire safety works had been undertaken which the government had not provided funding for, and £3m remained outstanding for being a Universal Credit pilot authority. The shortfall in funding was stated to be a cause of the financial challenges; however work would continue to balance the budget.

The Leader noted that the administration had a tight grip on the budget despite the pressures that had been experienced. The LGA, it was stated, had recognised that it was national travesty that there was a funding gap for adult and children social care that had not been addressed. Furthermore, the Leader noted that the government would not be announcing the national funding agreement which would cause additional financial pressures.

In response to Member questions the Cabinet Member noted that enforcement income had increased; however it was in relation to the actions of motorists in the borough and the income had been used to help fund freedom passes and other services. The Cabinet Member for Environment, Transport & Regeneration (non-voting – Job Share) noted there had also been an increase in income from parking suspensions when parking bays were suspended to enable utility works to take place. Furthermore, the Cabinet Member for Environment, Transport & Regeneration (non-voting – Job Share) informed Members that a number of residents were requesting additional parking enforcement across the borough which were being considered.

The Cabinet Member for Finance & Resources informed Members that there had been a constant review of whether expenditure was capital or revenue; and as such when it was considered that a scheme was more transformational then the capital budget was used as opposed to the revenue budget.

Members were informed that there were contractual savings within the Veolia waste contract and that work was ongoing to ensure the service was delivered. It was further noted that reductions in the amount of waste going to landfill had been seen which would deliver further savings in landfill tax.

The Leader of the Council delegated to the Cabinet the power to make the decisions set out below

RESOLVED to

1. Note the current revenue outturn forecast at the end of the second quarter of 2018/19 of £1.266m, this is before exceptional items of £2.279m, resulting in a total overspend of £3.545m. If the £3.545m is not reduced by the end of the year then the £4.700m contribution to reserves identified in paragraph 2.2 will be reduced to a £1.155m contribution to reserves;
2. Note the ongoing engagement with and lobbying of Government by the Council for additional funding for Croydon, both in general terms and specifically Unaccompanied Asylum Seeking Children given Croydon's gateway status, fire safety measures and mitigation of the impact of the Universal Credit implementation;
3. Note the HRA position of a £0.475m forecast underspend against budget;
4. Note the capital outturn projection of £427.8m, forecast to be an underspend of £19.6m against budget; and
5. Note the changes to the capital programme set out in paragraph 7.6, Table 6 and Appendix 2 of the report.

111/18

Scrutiny Stage 1: Recommendation arising from Scrutiny & Overview Committee and Streets, Environment & Homes Scrutiny Sub-Committee

The Chair of Scrutiny Overview Committee noted that a number of recommendations had been made by the scrutiny committees. The Chair highlighted recommendation two at paragraph 3.3 of the report and informed Cabinet that it was expected that all Cabinet Member kept the recommendation trackers up-to-date.

Furthermore, the Chair of Scrutiny & Overview Committee noted that it had been a number of years since a review of the public by-laws had been undertaken and that it was appropriate to ensure they were reviewed and updated where necessary. The Chair also noted that scrutiny had undertaken a review of housing associations and while it was recognised that there had been some good work it was also timely to review the partnership working.

The Leader of the Council delegated to the Cabinet the power to make the decisions set out below

RESOLVED to receive the recommendations arising from the Scrutiny and Overview Committee (30 October 2018) & the Streets, Environment and Homes Sub-Committee (6 November 2018) and to provide a substantive response within two months (ie. at the next available Cabinet meeting on **21 January 2019**).

112/18

Scrutiny Stage 2: Response to recommendations arising from Children & Young People Scrutiny Sub-Committee

The Leader of the Council delegated to the Cabinet the power to make the decisions set out below

RESOLVED to approve the response and action plans attached to this report at Appendix A of the report and that these be reported to the Scrutiny and Overview Committee or relevant Sub-Committees.

113/18

Investing in our Borough

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

RESOLVED to approve:

The procurement strategy which will result in contract awards for the provision of Social Care Assessment Services Approved Provider Panel for a maximum term of four years as set out at agenda item 11a.

RESOLVED to note:

1. The contracts over £500,000 anticipated to be awarded by the nominated Cabinet Member, in consultation with the nominated Cabinet Member for Finance and Resources or, where the nominated Cabinet Member is the Cabinet Member for Finance and Resources, in consultation with the Leader;
2. The list of delegated award decisions made by the Director of Commissioning and Procurement, between 13/10/2018 – 09/11/2018;
3. The list of delegated award decisions made by the Nominated Cabinet Member for Finance and Resources for the Good to Great ICT transformation programme.
4. Property acquisitions and disposals agreed by the Cabinet Member for Finance and Resources in consultation with the Leader since the last meeting of Cabinet.

114/18

Children's Social Care Assessments Procurement Strategy

The Cabinet Member for Finance & Resources stated the procurement strategy would ensure high level assessments took place when assessments were required. In response to Member questions the Cabinet Member noted there had been substantial increase in the level of work in the last year which had led to the budget increasing from £1m to £2.5m; however work had begun to create an in-house assessment team and work on early help and prevention would facilitate a reduction in cost.

The Executive Director of Children, Families & Education informed Members that a reverse assessment was a specialist assessment which sought to establish whether it was appropriate for a child to return to the care of family members.

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

RESOLVED to

1. Approve the procurement strategy for a 4 year (2+2) Approved Provider Panel for the delivery of Children's Social Care assessments during the period 1st August 2019 to 30th July 2023 (tentative), at a total estimated annual cost of £2.512m, making a total estimated cost of £10.049m for the 4 years; and
2. Approve the deviation from the Council's Tender and Contract regulation 21 for the reasons set out in section 3.20, to depart from the standard evaluation split of 60:40 (cost: quality) to allow a weighting of 30:70 (cost: quality) for admittance on to the Approved Provider Panel.

115/18

Exclusion of the Press and Public

The item was not required.

The meeting ended at 7.52 pm