

## Cabinet

Meeting held on Monday, 20 July 2020 at 6.30 pm. The meeting was held remotely

### MINUTES

**Present:** Councillor Tony Newman (Chair);

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

**Also Present:** Councillor Tim Pollard, Jason Cummings, Jason Perry, Mario Creatura, Maria Gatland, Lynne Hale, Simon Hoar, Yvette Hopley, Vidhi Mohan, Helen Pollard, Sean Fitzsimons, Robert Ward, Pat Clouder, Clive Fraser, Helen Redfern, Muhammad Ali, Jane Avis, Leila Ben-Hassel, Sue Bennett, Margaret Bird, Simon Brew, Patsy Cummings, Nina Degrads, Felicity Flynn, Patricia Hay-Justice, Bernadette Khan, Shafi Khan, Toni Letts, David Wood and Louisa Woodley

### PART A

50/20 **Minutes of the previous meeting**

The minutes of the Cabinet meeting held on 8 June 2020 were agreed. The Leader of the Council signed the minutes as an accurate record.

51/20 **Disclosure of Interests**

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

52/20 **Urgent Business (If any)**

There were no items of urgent business.

53/20 **Croydon Together: Update on our ongoing response to Covid-19**

The Chief Executive gave a presentation and stated that the council was still responding to the pandemic, maintaining the Gold and Silver command arrangements, and focusing on supporting the shielded community. The council continued to support the care homes, in particular with infection control, which had been a key focus throughout the whole pandemic response. It was also noted that the town and district centre had been safely reopened.

The Chief Executive explained that 90% of business as usual had been delivered throughout the pandemic, including March 2020, and the services that were closed were beginning to reopen. Bernard Weatherill House was opening from 1 July 2020, along with the libraries select and collect scheme and leisure centres. The first services to reopen were household waste and recycling centres and the registry office, all of which were compliant with the COVID-19 health and safety guidance.

The three key priorities were: shielded residents, and insuring the correct support was being given to the 14,814 identified residents; test and trace; and outbreak management.

New Local Government powers had been given from 18 July 2020 to minimise the virus's risk to the public and prevent its spread. It was highlighted to Cabinet that the Council may now: restrict access to, or close, individual premises (except where the premises form part of essential infrastructure); prohibit certain events (or types of event) from taking place; and restrict access to, or close, public outdoor places (or types of outdoor public places).

The Chief Executive further highlighted to Cabinet the financial issues the council was facing; financial issues had been identified before COVID-19 and 2020-21 was predicted to be a challenging time in terms of funding, and the council had large savings ambitions. It was noted that the Government was now backtracking on the COVID-19 funding commitments made. The Finance Review Panel has been established, and the staff reduction of 15% had begun. The majority of London councils were looking at emergency budgeting, and Croydon was in a similar situation, but had low reserves.

The Chief Executive concluded by noting the positive work which had come from the pandemic, including: the strong partnerships, particularly the joint work with the NHS and support given to shielded residents; the digital solutions, which ensured all vulnerable residents were connected within eight days; and the huge commitment from the voluntary community sector.

The Director of Public Health added that there had been relatively low reported cases in Croydon and the recent outbreaks across the UK were informing Croydon of how to shape their outbreak control plan to prevent an outbreak in Croydon. Public Health had been scenario testing too, in particular with high risk places: care homes, schools, places of worship and the NHS.

The Cabinet Member for Economy & Jobs explained to the Cabinet that the council had been supporting the reopening of local businesses by distributing grants from the Discretionary Grant Fund, supporting the changes to street trading licences in regards to on street furniture, and establishing an Economic Sustainability Group to support the recovery process. The Cabinet Member for Environment, Transport &

Regeneration (Job Share) noted that the Economic Sustainability Group had begun to look at deliverable ideas to help businesses, and also to help residents feel confident using public spaces again.

The Cabinet Member for Families, Health & Social Care expressed that her thoughts were with all the families who were affected by COVID-19 and thanked the staff for putting residents first, before their own friends and family, to ensure the residents were protected and cared for. She noted the importance of social distancing to prevent a second wave within the borough. It was explained to the Cabinet that many challenges remain due to the damaged economy and livelihood. Social care was underfunded before COVID-19 and she hoped Government made a decision this year to support the most vulnerable going forward.

In response to questions from the Shadow Cabinet Members, the Director of Public Health explained that the local outbreaks were being monitored, and patterns were beginning to form; Public Health were working on range of scenarios, in particular around multigenerational residencies, care homes and high-rise blocks.

The Shadow Cabinet raised queries regarding local businesses still waiting for their grant and were suffering. In response the Leader stated that the council would not issue cheques through the post, as it was crucial to ensure a high level of diligence to ensure the money was received by the correct people, as anything distributed incorrectly would not be refunded. He added that Chris Philp MP had praised the council for their support of local businesses. The Cabinet Member for Economy & Jobs further explained that all businesses who had applied for a grant had been approached and some were no longer operating, and a number of businesses were not a rate payer on 11 March 2020; she hoped these businesses would still be liable for a grant and each business was being worked with individually. The Shadow Cabinet member expressed that local businesses needed to be promoted and supported during this time, and he noted concern for Croydon being in the bottom 10% in the country for paying out the Discretionary Grant Fund.

The Cabinet Member for Safer Croydon & Communities echoed all the comments thanking the council and voluntary sector staff. She explained to Cabinet that there was a sub-group of the Local Strategic Partnership which was tackling inequalities, specifically in regards to health, and the council had begun formal consultation on tackling inequalities.

The Cabinet Member for Children, Young People & Learning explained that she had a meeting with young people regarding the Legacy Youth Zone and it was agreed that the creation of a social media platform for young people to raise their voices of concerns regarding COVID-19 would be beneficial. The Cabinet Member for Environment, Transport & Regeneration (Job Share) agreed with Councillor Flemming and echoed the point that young people played an important role during this time. He noted concern for the young people losing their transport passes.

The Cabinet Member for Environment, Transport & Regeneration (Job Share) explained that the safe reopening of town and district centres reopening had been important and that they were continuing to promote active travel across the borough; low traffic streets had introduced mph limits, residents were being encouraged to use bicycles, and a very positive response had been received to the new bike lane along London Road, outside Croydon University Hospital.

The Shadow Cabinet Member for Transport, Environment & Air Quality noted that the withdrawal of free transport for under 18s transport was a temporary measure to prevent ridership, and he hoped to see this reverse once it was safe. He also expressed concern for the semi-segregated cycle tracks as these could cause tailbacks in quieter areas; he suggested environmental assessments could be completed to gauge the effects. The Cabinet Member for Environment, Transport & Regeneration (Job Share) thanked Councillor Simon Hoar for his comments but noted that in some areas a range of different cycle route types were required to suit all abilities. He explained that he would monitor to see if drivers were using alternative routes along Brighton Road.

In response to a query raised by the Shadow Cabinet Member for Health & Social Care in regards to shielded residents, the Chief Executive explained that the Government had identified approximately 700 vulnerable residents and this was in addition to the residents the council supported during business as usual. The Chief Executive encouraged Councillors to continue referring residents to Adult Social Services if they had concern. The Director of Public Health noted that well-funded social care was so important and COVID-19 ad highlighted this/

The Leader of the Council delegated authority to the Cabinet to make the following decisions:

**RESOLVED:** To note the report and the activities of the Council working with partners to respond to the impacts of Covid-19 across Croydon.

54/20

### **Responding to the Local Government Funding Challenge**

The Leader noted that items 6 & 7 would be heard together.

The Cabinet Member for Finance & Resources and the Director of Finance gave a presentation and outlined the years of funding cuts, the COVID-19 impact this had had on the councils finances, and the objectives to bridge the budget gap. The Ministry of Housing, Communities and Local Government (MHCLG) return had an approximately £65.4m gap, resulting in ambitious saving targets to be set for 2020/21, but ensuring the same commitments to residents was being provided.

The Cabinet heard that multiple measures were being put in place to bridge the budget gaps, including a staffing review, enhanced budget development, heavily lobbying Government and improved budget monitoring. The Finance Review Panel had also been established, who were meeting fortnightly and making recommendations to the Leader and Cabinet Member for Finance & Resources. A short term savings programme had been developed, which included 25 different projects being consolidated into nine, and staffing, where over £170m was spent each year.

It was explained to the Cabinet that a Medium Term Financial Strategy (MTFS) would be developed to set targets medium term and set out key financial planning and assumptions. It would enable early development of budget proposals, which would be evidence led and benchmarked. The MTFS would be presented to Cabinet in September 2020

The Cabinet welcomed Duncan Whitfield, Chair of the Financial Review Panel, to the meeting

Duncan Whitfield introduced himself and explained that the Panel comprised of two additional co-optee members, Matthew Kershaw and Debbie Warren, the Leader, Deputy Leader, Cabinet Member for Finance & Resources and ELT. He noted that it was a difficult time for Croydon Council and difficult decisions would need to be made to improve the budget gap and increase resources.

The Shadow Cabinet Members expressed concern for the staffing review and queried how the reduction would be conducted. The Shadow Cabinet Member for Finance & Resources explained that he wanted to give his full support; however, felt that the report did not include the full information regarding the budget gap. He stated that he had requested a full MHSFC return at the previous Cabinet meeting on 8 June 2020 and had not yet received it. The Leader responded and stated that he would make sure the information was available to the Shadow Cabinet, as cross-party support would be beneficial.

The Chief Executive explained to the Cabinet and Shadow Cabinet that the organisation would be kept as stable as possible during the staffing cuts; the council were meeting with unions on a weekly basis to ensure they were working together to reduce compulsory redundancies. It was recognised that it was not a good time to begin staffing cuts, due to lockdown and having sensitive conversations virtually, however, it was necessary.

The Leader of the Council delegated authority to the Cabinet to make the following decisions:

**RESOLVED: To**

1. Note the extraordinary financial context, as set out in the report;

2. Endorse the further actions and governance arrangements which have been put in place, outlined in the report, to ensure the Council delivers within the 2020/21 approved budget;
3. Note the statements from the Head of Paid Service, S151 Officer and Monitoring Officer; and
4. Agree the principles informing actions to deliver within the 2020/21 approved budget.

55/20

### **July Financial Review**

The presentation and discussion for items 6 & 7 were heard together.

The Leader of the Council delegated authority to the Cabinet to make the following decisions:

#### **RESOLVED:** To approve

1. The approach to ensuring the financial challenge of the financial year 2020/21 is managed efficiently and effectively including delegation of decisions on measures to deliver the 2020/21 budget to the Cabinet Member for Finance and Resources in consultation with the relevant Cabinet member.
2. The amendment to the capital programme as detailed in section 8 of the report.
3. The continued use of capital receipts for funding transformation as detailed in section 9 of the report.
4. The approach to dealing with the financial impact of Covid19, including the financial returns to MHCLG and the discussions with them.
5. The principle of the agreement to enter into a loan with M&G for investment in affordable housing as set out in section 11 of the report.

#### **RESOLVED:** To note

6. The final outturn of the 2019/20 revenue budget as detailed in section 3 of the report.
7. The final outturn of the capital programme for 2019/20 as detailed in section 3 of the report.
8. The slippage within the capital programme from 2019/20 into 2020/21 is under review. Approvals being sought will be presented

to Cabinet as part of the Q1 financial monitoring report. The current agreed capital programme is detailed in Section 8 of the report.

9. The update on the Revolving Investment fund as detailed in section 3.15 of the report.

10. The changes being proposed for the budget setting process and Medium Term Financial Strategy (MTFS), and that more details will be presented to the cabinet in September 2020.

56/20

### **Increasing Housing Supply**

The Cabinet Member for Homes & Gateway Services introduced the report and noted that too many residents did not have a place to call home and the pandemic had highlighted further that good quality homes were needed, and to prevent overcrowding. She explained that on average private renting was an additional £100-200 extra per-month and that Croydon was the fifteenth most deprived authority in England in terms of housing. The borrowing facility of up to £30.6m was to enable the investment in the acquisition of 165 new homes from Brick by Brick to be let at council rents, providing residents with new, sustainable, good homes.

The Shadow Cabinet Member for Housing and Gateway Services welcomed the addition of new homes for Croydon and expressed that she shared the importance of having a safe and secure home. She did, however, express concern for transparency regarding Brick by Brick; a resident had reviewed Brick by Brick online, and had stated that they had received bad customer service.

In response to Councillor Lynne Hale, Councillor Alison Butler expressed disappointment for the bad review and noted that residents could email her to raise with Brick by Brick. She explained that they were high quality homes, with a high level of investment in to sustainability, and were for Croydon residents. She further added that Brick by Brick were selling homes daily, and would offer the purchase of homes to the council first.

In response to the Shadow Cabinet Member for Culture, Leisure and Sport, the Leader clarified that homes without a dishwasher were not substandard. The Shadow Cabinet Member explained that there was clearly a deficiency in homes and everybody deserved good quality homes. She added that she did not agree with the development on open green spaces and public parks. Councillor Alison Butler invited Councillor Helen Pollard on a tour of some Brick by Brick properties, as they were of high standard with happy tenants. The properties were all built sustainably and were not built on children's playgrounds as previously claimed; the borough had a huge challenge to provide homes that were desperately needed, and a lot of consideration went in to where these would be placed.

The Leader of the Council delegated authority to the Cabinet to make the following decisions:

**RESOLVED: To**

1. Approve the borrowing facility of up to £30.6m to enable the investment in the acquisition of 165 new homes from Brick by Brick Croydon (Limited) ('Brick by Brick') to be let at council rents
2. Approve the use of up to £8.04m Right to Buy Receipts to reduce the level of borrowing required
3. Agree to the propose that the rental levels for the properties held within the HRA to be charged on a formula rent basis
4. Delegate to the Deputy Leader and Cabinet Member for Homes and Gateway Services in consultation with the Cabinet Member for Finance and Resources the authority to approve of the purchase of affordable rented units constructed by Brick by Brick as council homes
5. Note the proposed purchase of additional Brick by Brick homes for use as Emergency Temporary Accommodation in line with the Cabinet decision taken in March 2020 under the Increasing Housing Supply paper.

57/20

**Croydon Offer for Care Leavers, Commitment to Children in Care and National Pledge**

The Cabinet Member for Children, Young People & Learning gave a presentation outlining what a Local Offer was, why Croydon's current Local Offer was being reviewed and how this would respond to recommendations made by Ofsted. Discussions had been had with young people to give them an opportunity to provide feedback; following this, the need to increase aspiration was clear and it had since been established as one of the commitments as corporate parents. The Virtual School had begun working in conjunction with teachers in secondary school to offer a mentoring programme and to increasing apprenticeships. The Care Leavers in Poverty Prevention (CLIPP) Group had also been established.

The Cabinet Member for Children, Young People & Learning also outlined the financial entitlement slide, and highlighted that the additional finance of £365,000 had been provided to increase the Setting Up Home Allowance. Some of this finance was also ring-fenced for schemes such as providing the young people with birthday gifts up to the age of 21, and supporting them to learn how to drive; she explained that these were all things that should be provided from the Corporate Parent, as they would from biological parents.

The Service Manager for Early Help and Children's Social Care, Mick McCarthy, addressed Cabinet and explained that young people had contributed to the revision of the Local Offer and had frequently noted that housing needed to be improved. Many young people became homeless in their early 20s, as there was often a large gap in their income, and affording housing was not possible. He also noted that if a young person went to university, their housing benefit would be lost. A new housing strategy was being established for young people, in addition to the improvement of transition work.

The Shadow Cabinet Member for Children, Families, Young People & Learning noted the importance of the work and wanted to ensure that carers were supported in the best way possible. In response to her query regarding funding, the Leader confirmed that the work outlined in the report would be delivered.

The Cabinet Member for Homes & Gateway Services thanked the Cabinet Member for Children, Families, Young People & Learning and the Service Manager for Early Help and Children's Social Care for the report and hard work. She noted the importance of security and having the independence of your own home; therefore, the issues regarding rent, benefits and low income was really important. Managing money and paying bills was hard, especially when young people were starting work or university at the same time. She explained that children tended to stay living with their parents until their early 20s now, so she was pleased to see Croydon working hard as a corporate parent.

The Leader of the Council delegated authority to the Cabinet to make the following decisions:

**RESOLVED:** To agree that Croydon Council and its partners

- Adopt the National Pledge for children in care and care leavers;
- Make a Croydon Commitment to children in care; and
- Provide a refreshed local offer for Croydon's care leavers.

58/20

**Stage 2: Response to recommendations arising from Scrutiny & Overview Committee on 10 February 2020, Streets, Environment & Homes Scrutiny Sub-Committee on 4 February 2020, Scrutiny & Overview Committee on 25 February 2020 and Health & Social Care Scrutiny Sub-Committee on 10 March 2020**

The Leader of the Council delegated authority to the Cabinet to make the following decisions:

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

**Investing in our Borough**

The Leader of the Council delegated authority to the Cabinet to make the following decisions:

**RESOLVED: To**

1. Recommend to the Leader of the Council that prior to the next meeting of Cabinet in September, in respect of any contracts and property acquisitions and disposals valued over £500k and that have not previously been notified or reported to Cabinet, the nominated Cabinet Member in consultation with the Cabinet Member for Finance and Resources or, where the nominated member is the Cabinet Member for Finance and Resources in consultation with the Leader, be authorised to agree the award of such contracts. Note that any awards made under this delegation will be notified in the standard contracts report to the next meeting of Cabinet.

**RESOLVED: To note**

2. The list of decisions pursuant to Part 5 A Article 1.7 (Urgency Decisions) of the Council's Constitution, made as relevant body by the nominated Cabinet Member in consultation with the Cabinet Member for Finance and Resources or, where the nominated member is the Cabinet Member for Finance and Resources in consultation with the Leader, as set out in section 4.1 of the report.
3. The contracts between £500,000 and £5,000,000 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, as set out in section 4.1.1 of the report.
4. The list of delegated award decisions made by the Director of Commissioning and Procurement, between 18/05/2020 – 17/06/2020, as set out in section 4.1.2 of the report.
5. Delegated award decisions for contracts over £500,000 in value made by the nominated Cabinet Member in consultation with the 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 since the last meeting of Cabinet, as set out in Section 4.2.1 of the report.

**Exclusion of the Press and Public**

This item was not required.

The meeting ended at 9.14 pm