

## **Cabinet**

Meeting held on Monday, 18 January 2021 at 6.30 pm. This meeting was held remotely.

### **MINUTES**

**Present:** Councillor Hamida Ali, Stuart King, Muhammad Ali, Jane Avis, Janet Campbell, Alisa Flemming, Oliver Lewis, Manju Shahul-Hameed, David Wood and Callton Young

**Also Present:** Councillor Jason Perry, Jason Cummings, Lynne Hale, Maria Gatland, Simon Hoar, Yvette Hopley, Vidhi Mohan, Helen Redfern, Scott Roche, Andy Stranack, Gareth Streeter, Louisa Woodley, Sean Fitzsimons, Robert Ward, Pat Clouder, Clive Fraser, Mario Creatura, Leila Ben-Hassel, Simon Brew, Sherwan Chowdhury, Patsy Cummings, Felicity Flynn, Patricia Hay-Justice, Karen Jewitt, Shafi Khan and Toni Letts

**Officers:** Katherine Kerswell (Interim Chief Executive), Jacqueline Harris Baker (Executive Director of Resources and Monitoring Officer), Elaine Jackson (Assistant Chief Executive), Debbie Jones (Interim Executive Director of Children, Families & Education), Sue Moorman (Director of Human Resources), Shifa Mustafa (Executive Director of Place), Hazel Simmonds (Executive Director of Localities and Resident Pathway), Lisa Taylor (Director of Finance, Investment & Risk and Section 151 Officer) and Guy Van Dichele (Executive Director of Health, Wellbeing & Adults)

### **PART A**

1/21 **Minutes of a previous meeting**

The minutes of the Cabinet meeting held on 19 October 2020 were agreed.

2/21 **Disclosure of Interests**

There were none.

3/21 **Urgent Business (If any)**

There were no items of urgent business.

4/21 **Update on the Croydon Renewal Plan and Submission to MHCLG (presentation)**

A presentation was given to the Cabinet by the Leader, Councillor Hamida Ali, the Interim Chief Executive, Katherine Kerswell, and the Director of

Finance, Investment & Risk, Lisa Taylor. A copy of the presentation can be found online

<https://democracy.croydon.gov.uk/documents/b8064/Presentation%20-%20Item%205%20Croydon%20Renewal%20Update%2018th-Jan-2021%2018.30%20Cabinet.pdf?T=9>).

The Leader informed Members that the presentation gave Members an overview of the latest position of the council. The Leader highlighted the council's new priorities and noted that whilst the council was undergoing financial difficulties this was against the backdrop of the pandemic which continued to have severe health and economic implications. It was highlighted that whilst positive test rates were decreasing Croydon still had the 13<sup>th</sup> highest rate in the country.

The economic impact had seen an increase in the number of residents claiming Universal Credit in Croydon and nationally. The rise, it was noted, was universal in that it was impacting people on low incomes from all age groups and both genders. The Leader further highlighted that over 53,000 Croydon residents were furloughed which amounted to more than one in four who would be eligible for furlough.

Whilst the council was focused on resolving the financial position, the Leader stressed it was also supporting communities who were being severely impacted by covid-19; both from the sad loss of life and financially.

The Interim Chief Executive noted that in September 2020, Cabinet had made a decision to develop the Croydon Renewal Improvement Plan which was an overarching document to cover the fundamental change required to take place over the following three years. The Plan outlined the transformation of council systems of internal control, governance and management which would underpin the financial recovery of the council. The Interim Chief Executive advised Members that the Plan drew together all of the recommendations from both internal and external reports and put them together into a single clear improvement programme to support delivering change as the right pace and in the right way.

It was highlighted by the Interim Chief Executive that action was being taken, with Scrutiny & Overview Committee (SOC) and General Purposes & Audit Committee (GPAC) consultation on the Report in the Public Interest (RIPI) action plan due to be considered later in the agenda, the second report on the Strategic Review of Companies due to be taken to the February 2021 Cabinet meeting and the reserves would be considered in the budget papers.

The Interim Chief Executive advised Members that the council was waiting for the report following the rapid non-statutory review which had been undertaken on behalf of the Ministry of Housing, Communities & Local Government (MHCLG). It was noted that the council's submission for a capitalisation direction was made on 15 December 2020 and

Members were advised that conversations were still ongoing with MHCLG on a weekly basis and often with other government departments; including a meeting that had been held with the Home Office and Department for Education in relation to the costs associated with Unaccompanied Asylum Seeking Children.

Members were advised that MHCLG had established an Improvement Panel with Tony McArdle being appointed the Chair of the Panel. The remaining positions on the Panel would be filled by the end of the week and would be people with financial and commercial backgrounds. The Interim Chief Executive stated that the council had suggested that people with backgrounds in adult social care and children's social care should be beneficial in light of the changes which were required within those departments. It was highlighted that one of the first duties of the Panel would be to review the council's submission to MHCLG and provide a view to the Secretary of State. Those who had been involved in drafting the submission were thanked by the Interim Executive Director for their hard work and noted that it had been a team effort by all involved for creating a document that spoke to the issues Croydon was facing.

The Interim Chief Executive stressed that Croydon was not the only council in conversation with MHCLG about their financial challenges with an estimated 10 – 12 other councils also making submissions. As such, the Interim Chief Executive, noted that MHCLG and HM Treasury would need to consider the council's submission with the backdrop of what it meant in terms of local government. The Director of Finance, Investment & Risk advised Members that whilst the council was waiting for an outcome from MHCLG on its capitalisation direction it was still operating under a Section 114 Notice for the 2020/21 financial year and should the council be unable to balance the budget for 2021/22 then another Section 114 Notice would need to be issued.

It was stated by the Interim Chief Executive that the council had agreed to the establishment of an Improvement Board in November 2020 and work had begun to consult on the terms of reference and membership of that Board. With MHCLG establishing an Improvement Panel, the Interim Chief Executive stressed that the Panel and Board were two separate entities with the intention of the Board to draw on colleagues within the community, voluntary and faith sectors, resident and tenant associations and external finance and social care experts.

The ambition was for there to be open accountability and conversations focussed on improvement. The Interim Chief Executive advised that MHCLG had a different purpose for the Panel, which would be in place for a minimum of three years and would report quarterly to the Secretary of State for Housing, Communities & Local Government, however no formal letter had been received from government in regard to the role and activity of the Improvement Panel. It was stressed by the Interim Chief Executive that the council had not been informed that the Panel would have the

powers that Commissioners had in Northamptonshire and would not be stepping into the place of elected Members.

Members were advised that the Interim Chief Executive had spoken with the Chair of the Improvement Panel and reported that he was interested in there being a synergy between the Panel and Board.

The Interim Chief Executive highlighted that the Strategic Review of Companies had been commissioned in September 2020 and that a huge amount of work had been undertaken by Chris Buss and PwC, in particular discussion with the new Brick by Brick board, and it was reported that a second report would be taken to the February Cabinet meeting with recommendations on the future of the company. Additionally, it was noted the council had commissioned the external auditors, Grant Thornton, to undertake a value for money review the refurbishment of Fairfield Halls.

It was noted that there were 434 projects and actions across 11 programmes which formed the Croydon Renewal Improvement Plan and Members were advised that work was underway to prioritise those actions as it was recognised that it was essential to get the order of actions right and ensure resources were in place to support the work. It was noted that Scrutiny & Overview Committee had highlighted the need for the Programme Delivery Steering Group to be established in the right way to get the desired results and the Interim Chief Executive informed Members that a regular report would be presented to Scrutiny to receive feedback and challenge.

It was reported that the Executive Directors were continuing to challenge the budget to ensure all potential savings had been identified and whether planned growth was appropriate. Furthermore, the Interim Chief Executive advised Members that work had been undertaken to develop an Interim Asset Disposal Strategy, to support the need to borrow less money from the government. This Strategy, it was stated, would be taken to the Cabinet meeting in February 2021 for consideration.

Members were advised that the council was still waiting for some reports which would further inform the council's improvement journey. Those reports were; the Richard Penn independent investigation to understand how the council reached the position it was in, the MHCLG non-statutory rapid review and the Centre for Governance & Scrutiny's work to support the Scrutiny function and inform committee work plans.

The presentation concluded with a timeline of work which would be undertaken during the following six months with budget setting being a major area of work which would be informed by the decision from MHCLG on the council's capitalisation direction request. The Interim Chief Executive advised Members that the council was hoping to have a response from MCLG by mid-February 2021.

The Cabinet Member for Croydon Renewal, Councillor Stuart King, queried what the implications were in terms of budget setting if the council were not to hear back from MHCLG until the middle of February. The Director of Finance, Investment & Risk and Section 151 Officer stated that the council was hoping to hear from MHCLG to inform the budget for 2021/22 which were due to be considered at Cabinet on 22 February 2021 and Council on 1 March 2021. The council, it was noted, was statutorily required to set the council tax by 11 March 2021 and to have written all residents before the start of the new financial year.

Members were advised by the Director of Finance, Investment & Risk and Section 151 Officer that within the budget report to Cabinet and Council there was a section written by her, as the council's Section 151 Officer, which sets out her opinion on whether the council could set a balanced budget and that a response from MHCLG would be key to coming to a conclusion on that matter. If a response was not received then she would have to state that the council could not set a balanced budget and the council would have to set an illegal unbalanced budget until a response was received. Whilst the Director stressed that she hoped that it would be not required and conversation were ongoing with MHCLG, she was required to draw Members' attention to the possibility. It was confirmed that officers were regularly raising the council's deadlines with MHCLG and they were aware of the timetable and implications.

The Cabinet Member for Sustainable Croydon, Councillor Muhammad Ali, thanked officers for presenting a clear timetable of the work which would be undertaken during the following six months and also thanked all frontline staff for their continued work during the pandemic. Officers were asked what plans were in place given the ongoing uncertainty in terms of the pandemic and the impact on Universal Credit and unemployment.

In response, the Interim Chief Executive stated that the council had been carefully looking at the prioritisation of services and where staff resources should be deployed in light of the new variant of covid-19 being far more transmissible and staff having to self-isolate. It was noted there had been a significant impact on the bereavement service during the previous two weeks with staff becoming ill and the Interim Chief Executive thanked all who had volunteered to supported such an important and sensitive service. With the backdrop of delivering services during the pandemic, the Interim Chief Executive advised Members that delivering the Croydon Renewal Improvement Plan was a big job in itself and delivering the required change during a pandemic was challenging.

The Director of Public Health, Rachel Flowers, stressed that the current variant was significantly more contagious and that many people within the borough and across London were getting ill. The Director of Public Health advised Members that since February 2020 the council had been running Gold and Silver group meetings which had looked at the prioritisation of services and included keeping staff in bubbles to reduce the number of people having to self-isolate.

It was queried by the Cabinet Member for Homes & Gateway Services, Councillor Jane Avis, whether the delay in receiving a response from MHCLG on the council's capitalisation direction request had been due to the council not fulfilling the MHCLG's requirements or if it had been as a result of other councils also requesting assistance. The Interim Chief Executive advised Members that the council had hoped to get a response earlier but that they had informed MHCLG that they would continue work on the improvement plan whilst the council waited as it was recognised that the work was necessary. It was noted that the submission was made only a few days ahead of civil service recess for Christmas and in the New Year MHCLG had asked 17 detailed questions to gain confidence in the council's plans. It was in the Interim Chief Executive's opinion, that there was positive and open dialogue but it was noted that a decision would not be made until the last moment as MHCLG and HM Treasury would want to be able to take all factors into consideration ahead of making a decision.

The Director of Finance, Investment & Risk and Section 151 Officer advised Members that the capitalisation direction request was new territory for all involved and there was no template for such discussions; as such it was continually evolving. It was highlighted that the council had responded immediately to the 17 detailed questions which had been received from MHCLG and it was noted that a further series of questions had subsequently been received. The Director advised that MHCLG wanted to ensure due diligence had been undertaken before any decision was made and that neither themselves, the council nor Treasury were being exposed to additional risk. The council had been asked to establish means to keep the borrowing at a minimum and so had queried whether the council could dispose of any assets, a challenge which had been welcomed as keeping the level of borrowing low was better in the long term for the council.

The Cabinet Member for Economic Recovery & Skills, Councillor Manju Shahul-Hameed queried whether the Council could set a budget on 1 March 2021 if a response had not been received from MHCLG in advance. The Director of Finance, Investment & Risk and Section 151 Officer advised Members that the council had to set a budget ahead of 11 March 2021 and that budget may not be balanced if a response had not been received from MHCLG. It was suggested that the Council meeting on 1 March 2021 may need to be postponed to enable the council to receive a response and to form a budget but it was felt that MHCLG colleagues would work with the council to meet deadlines.

The Director of Finance, Investment & Risk and Section 151 Officer advised Members that she would work very closely with colleagues in CIPFA, MHCLG and Grant Thornton should the council not be able to set a balanced budget. The Director advised that the external auditor, Grant Thornton, may need to issue statutory notices if an unbalanced budget was set, along with the Monitoring Officer issuing a Section 5 Notice,

however it was hoped that it would not be necessary and a balanced budget could be set.

The Cabinet Member for Economic Recovery & Skills, Councillor Manju Shahul-Hameed, further noted that during the previous week it had been announced that the UK economy had shrunk by 2.6% in November 2020 and that recently a number of Croydon businesses had closed permanently and questioned how closely Croydon needed to work with partners, such as the GLA and London Council's to ensure there was economic recovery. In response, the Executive Director of Place, Shifa Mustafa, advised that the council needed a response from MHCLG to provide stability which the council's partners would be looking for also. However, it was stressed that whilst the council was awaiting a response it would continue to work with partners to drive economic recovery in the borough.

The Cabinet Member for Communities, Safety & Resilience, Councillor David Wood, noted that there had been interest from community organisations to be involved in the Improvement Board and requested officers provide clarification on how those groups could be involved. The Interim Chief Executive stated that the November 2020 meeting of Cabinet had considered the draft terms of reference and proposed membership of the Board which was being consulted on. It was important to ensure there was representation from across the borough on the Communities Board but to also ensure there was the right balance which allowed for proper discussion to be held. Furthermore, the Interim Chief Executive advised that the Board would be looking at internal control systems and risk management, and so it was important that the right people were on the Board to have those conversations and to ensure that there was openness and transparency.

The Cabinet Member for Resources & Financial Governance, Councillor Callton Young, queried what the implications were in terms of the establishment of the Improvement Panel on MHCLG reaching a decision ahead of the budget setting deadlines. The Interim Chief Executive advised that the Improvement Panel would read the council's submission and would give a view to the Secretary of State however, the full membership of the Panel would not be identified until later in the week. She confirmed that she had spoken to the Chair of the Panel, Tony McArdle, and was keen to ensure the conversation continued so the Panel's questions could be answered in good time. Members were advised that the council had been informed that the Panel would feedback to the Secretary of State at the beginning of February, after which a decision would be made.

The Interim Chief Executive stressed that the Panel were not intended to be Commissioners and advised that she had been informed that the role of the Panel was to provide support and challenge to the council on the delivery of the Improvement Plan and to provide assurance to the Secretary of State on the delivery.

The Leader of the Opposition, Councillor Jason Perry, thanked staff for their continued work during the pandemic and stated that his thoughts were with those it had affected, but noted that there were positive steps being taken with the rapid rollout of the vaccine. In terms of the financial position of the council he stated that this was the result of financial mismanagement, including loaning £200m to Brick by Brick and the reduction of reserves to £7m prior to covid-19. Whilst it was recognised that covid-19 had impacted a number of local authorities, the Leader of the Opposition stated that Croydon was the only one to issue two Section 114 Notices and as such, he stated that he understood the consideration MHCLG had taken in reviewing the council's submission. He expressed concern that the council continued to show a lack of pace and commitment as councillors remained in the Labour Group and whilst the Opposition Group had taken a 20% cut in allowances, the Administration Group was waiting for the budget setting process before making changes. The Leader of the Opposition queried when the Administration would take responsibility and stop, in his opinion, failing the people of Croydon.

In response, the Leader stated that Cabinet had been informed during the evening that other councils were in discussion with MHCLG about capitalisation directions and that Members had been told of the level of work that had been undertaken by the council. She stressed that the council was moving at pace and that in terms of reducing Member Allowances, the Leader pointed to the decision made by Council on 16 December 2020 which would deliver four times the amount of savings than identified by the Opposition.

The Shadow Cabinet Member for Finance & Resources, Councillor Jason Cummings, expressed concern as to the tone of the update as the council was not one of ten councils in a similar position as it was the only one to have issued a Section 114 Notice. He raised further concerns that the update suggested that the council was not responsible for the position it was in. The Shadow Cabinet Member noted that during the presentation it had been raised that discussions had been held with MHCLG in relation to asset disposal and stated that no information had been shared with Members on the matter and queried when that would be shared.

The Leader stressed that in every public meeting since taking the position of Leader she had apologised and acknowledged the reasons set out in the RIPI which had led to the council's financial position. Furthermore she felt that her Administration were focussed on rectifying the situation. Whilst it was recognised that Croydon's capitalisation direction request had likely been the largest, the Leader stated that it was a fact that other councils were in conversation with MHCLG. In terms of discussions with MHCLG in relation to asset disposal the Leader stated that it was a live discussion and that the Cabinet had not yet been part of that discussion, but that she looked forward to sharing the information once it was available.



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

**RESOLVED:** To note the presentation.

5/21

### **Action Plan to address the Report in the Public Interest**

The Leader of the Council introduced the report which included the outcome of the consultation on the draft Report in the Public Interest (RIPI) action plan with the Scrutiny & Overview Committee (SOC) and the General Purposes & Audit Committee (GPAC). It was noted that both committees had detailed discussions on the draft plan and had made a series of suggested amendments to the plan which were outlined in the appendices to the report. The Leader stated that Cabinet were being asked to agree those amendments and note that quarterly progress updates would be taken to both Cabinet and Council.

The Executive Director of Resources, Jacqueline Harris Baker, advised Members that the report was in line with the decisions made at the Extraordinary Council Meeting on 19 November 2020 to report to Cabinet the proposed amendments to the action plan following consideration by GPAC and SOC. It was noted that both committees had considered the action plan in detail.

Members were advised by the Executive Director that a revised action plan would be produced which incorporated the proposed amendments and revised timescales for delivery. The Executive Director stated the council had only 21 days to produce the original action plan and subsequent detailed work had been undertaken which was cross cutting with improvement work across the council.

The Executive Director confirmed that the council had strengthened its systems for monitoring, reporting performance and expenditure, and that a programme delivery approach had been adopted. A central programme management office had been established to ensure consistent and effective management of improvement and savings programmes was being delivered. Furthermore, an internal Croydon Renewal Steering Group had been established to ensure all projects were being delivered and would hold officers to account for delivery; this Group, it was reported, was chaired by the Interim Chief Executive and included members of the Executive Leadership Team.

It was further stated that progress against the action plan would be monitored, tested and reported upon by the council's internal audit team.

Cabinet were advised by the Executive Director that the next report would include an updated action plan, revised deadlines and progress updates on all actions. In the interim, it was suggested that Members would experience progress on actions as they happened; such as financial

reports and an update on the review of Brick by Brick being taken to February Cabinet.

The Assistant Chief Executive, Elaine Jackson, thanked Members for their contribution and amendments to the action plan which would be incorporated in the next iteration of the action plan. It was noted that it was a complex piece of work with over 434 actions or programmes of work that were being undertaken but it was the ambition of officers to distil the work into a structured report process which would assist in the oversight of progress.

The Chair of the Scrutiny & Overview Committee, Councillor Sean Fitzsimons, stated that the committee had considered the RIPI and action plan in December 2020. Following consideration of each line of the plan the committee had drawn up 23 proposed amendments. The Chair of SOC noted that the main area of concern of the committee was in relation to deliverability; both in terms of pace and ensuring lessons had been learnt.

The Chair of the General Purposes & Audit Committee, Councillor Karen Jewitt, thanked officers for their support at the committee meeting in December 2020 and noted that following the consideration of the plan a number of amendments had been proposed.

The Chair of GPAC noted that concerns had been raised in relation to the lack of training for GPAC members and stated that Mazars were arranging training for members on their role on GPAC which she hoped would be well attended. Furthermore, it was recognised that there had previously been insufficient time spent on items and that the committee would meet more regularly going forward to ensure items were given full consideration, such as a meeting to review the risk register. The Chair reported that she had asked members of the committee to submit suggestions on how to improve the committee further.

Members of SOC and GPAC were thanked for their work in considering the action plan by the Leader and Cabinet Member for Resources & Financial Governance.

Concerns were raised by the Leader of the Opposition that the Cabinet continued to close down challenge, in his opinion, as a sufficient number of questions from the Opposition were not asked. He noted that Croydon was the only council to have had a RIPI and to have issued two Section 114 Notices. He also raised concerns that a number of key deadlines within the action plan had already been missed.

In response, the Leader noted that the action plan which had been considered by the two committees was a draft and as such the timeline contained within the plan was indicative. Following the 20 recommendations from the auditors, Grant Thornton, and four additional recommendations from the council, 434 actions had been drawn up. That

action plan had been consulted upon and was being finalised. The Assistant Chief Executive confirmed that a number of the actions had been progressed and work was continuing to draw up the final report. It was noted by the Assistant Chief Executive that both committees, as part of the consultation, had provided challenge in relation to deadlines and officers were looking to respond to that challenge by reviewing all the deadlines ahead of final publication in April 2021.

The Shadow Cabinet Member for Families, Health & Social Care, Councillor Yvette Hopley, noted that within Appendix 1 of the report it discussed the need for Member training and stated that she felt that Opposition Members did not require training to know that the council was heading to severe financial difficulties. Furthermore, she stated that she, Councillor Jason Cummings and Councillor Buttinger had written to the previous Monitoring Officer in 2016 with concerns relating to the financial implications of decisions being made by the council and yet she felt that no action had been taken following her letter. As such, the Shadow Cabinet Member stated that without the desire to make significant change training would be unnecessary. She sought assurance that the council would be more transparent and questioned who she should raise future concerns with if the Monitoring Officer was not in a position to respond to concerns.

In response, the Leader highlighted that the external auditors had raised that training would be of use to Members across the council. As such, she stressed that it would be prudent to heed that judgement and ensure training and support was provided to enable Members to discharge their responsibilities effectively. The council had sought to enhance the commitment to training by ensuring that both GPAC and SOC were able to effectively challenge the Executive. The Leader concluded that she felt establishing more training programmes was a positive step and queried how anyone could oppose such a move.

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

**RESOLVED: To**

1. Agree the amendments to the RIPI action plan recommended by the Scrutiny & Overview Committee (Appendix 1);
2. Agree the amendments to the RIPI action plan recommended by the General Purposes & Audit Committee (Appendix 2);
3. Agree that the action plan (Appendix 3) should be updated accordingly; and
4. Note that in accordance with the resolutions of Council on 19 November 2020, Cabinet, alongside the General Purposes & Audit Committee, the Scrutiny & Overview Committee and Council, will

receive quarterly reports detailing progress of delivering the action plan as part of quarterly progress monitoring reports from the forthcoming Council Improvement Board.

6/21

## **Education Estates Strategy**

The Leader informed Cabinet that the order of the agenda would be varied to:

- Item 9/21 – Dedicated Schools Grant Schools Funding 2021/22 Formula Factors
- Item 7/21 – General Fund Capital Programme 2020-2024
- Item 8/21 – Proposed closure of Virgo Fidelis Convent Senior School
- Item 6/21 – Education Estates Strategy

The Cabinet Member for Children, Families & Education, Councillor Alisa Flemming, noted that the report was the annual report to Cabinet on the education estates and was split into two sections; the first being focussed on decisions for Cabinet to make and the second being for information. It was noted that Council would be asked to determine the proposed community school admission arrangements for 2022/23. The Cabinet Member highlighted that there were no proposed changes to previously determined arrangements barring updates in relation to DfE guidance.

It was further noted by the Cabinet Member that the council was responsible for having a scheme in place for the coordination of admission arrangements for both primary and secondary schools as part of the pan-London agreement which sought to simplify the application process and ensure a fair distribution of places across London.

The Cabinet Member stated the council was committed to reducing the high needs deficit but stressed that the decision to deliver Special Educational Needs and Disability (SEND) places was not driven by finances but by the desire to ensure young people could access education within the borough and could live independent lives by travelling by bus to school, for example.

It was highlighted that the mainstream school supply strategy had not been included in the report on this occasion as Croydon did not plan to create additional mainstream places. Pupil forecasts indicated there was a sufficiency of places in both primary and secondary schools for the next three years. The Cabinet Member stated that there would be a need to review the strategy as a result of covid-19 as there had been an increase in number of parents choosing to home school, and whilst the numbers were low it was stressed that the forecasting and places available aligned.

The Cabinet Member for Croydon Renewal, Councillor Stuart King, welcomed the feasibility work which was underway at Gresham Primary School to establish whether the bulge class could be made permanent as

supporting popular schools was an important objective. The Cabinet Member for Croydon Renewal noted that there had been significant investment in the SEND programme and requested further information on how that investment would support managing the financial challenge of the delivering the service whilst not impacting the education the children received.

In response, the Cabinet Member stated that she also welcomed the feasibility studies into expanding popular schools and more details would be provided by the Interim Director of Education & Youth Engagement, Shelley Davies, outside of the meeting.

The Interim Director advised Members that the Addington Valley Free School was open on a temporary site with 25 students and from September 2021 would open on its permanent site for 80 pupils. Providing an education to those 25 young people ahead of the permanent site being open had enabled the council to provide provision within the borough and support those young people to develop their independence skills. It was stated that the school being open would have a huge impact on the high needs expenditure as a large proportion of that budget had historically been spent at independent schools or outer borough schools.

Post-19 provision was also highlighted by the Interim Director as the council had worked with both Croydon College and Coulsdon College to establish the Coulsdon College Pathway which supported young people aged between 19 and 25 with SEND to be educated within the borough. These developments, it was stated, would have really positive impacts on young people's education and on the council's finances.

The Shadow Cabinet Member for Children, Young People & Learning, Councillor Maria Gatland, stated that she welcomed the expansion of local provision for SEND pupils and highlighted the work of the Coulsdon College Pathway. It was noted that at paragraph 4.1 of the report, which focussed on school place planning, that there was a potential for higher surpluses in some schools and the Shadow Cabinet Member questioned how those surpluses were being managed and queried whether there would be pressure on some schools to deliver a full curriculum in the future. Furthermore, it was noted that the school place planning would also need to be reviewed in future years as a result of intensification of housing in some parts of the borough.

In response, the Cabinet Member stated that school place planning was projected using birth rates and there had been a consistent drop in those rates in recent years and the council sought to keep the surplus to within 5% of the forecast. The Cabinet Member confirmed that the ability to ensure a full curriculum was in place as secondary schools worked with one another to deliver a full curriculum across estates and work was ongoing to reduce the number of sixth forms.

The Cabinet Member confirmed that the supply strategy would need to be reviewed to ensure sufficient places were available, in response to both the increase in home schooling and more housing. The Interim Executive Director for Children, Families & Education, Debbie Jones, confirmed the council continued to monitor the number of surplus school places and work would need to take place to ensure there was an equitable balance of places across the borough and to capitalise on the excellent work which was taking place by the schools in delivering a broad and balanced education. It was stressed that the council would want to be planning ahead rather than reacting to changes in demand for school places.

The Shadow Cabinet Member for Economy & Jobs, Councillor Simon Hoar, noted that there were planned works for St Giles School, Red Gates School and Priory School due to the poor condition of some of the buildings at the schools. In light, of the investment at Addington Valley Free School and St Nicholas School, the Shadow Cabinet Member queried whether the future options for the three schools had been considered; whether that included expansion, merging with other schools or closure of buildings due to repair. The Cabinet Member noted that she had sent a report to approve in relation to St Giles School but recognised that the schools site was crowded. It was stated that there were ongoing discussions with the governing bodies to ensure the provision met the changing needs of the cohort attending the school. The Cabinet Member committed to keep the Shadow Cabinet Member updated on the plans in relation to those schools.

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

**RESOLVED: To**

**School Admission**

1. Agree to recommend to full Council that it determine the proposed community schools' Admission Arrangements for the 2022/23 academic year (Appendix 1);
2. Approve the continued adoption of the proposed Pan London scheme for co-ordination of admissions to Reception and Junior schools as set out at Appendix 1a of the report; and adoption of the proposed Pan London scheme for co-ordination of admissions to secondary schools as set out at Appendix 1b of the report;

**School Place Planning**

3. Approve the Capital Programme Budget summary (as set out at Appendix 2 of the report);

**School Maintenance and Compliance**

4. Approve the proposed Schools' Maintenance Plan (as set out at Appendix 3 of the report) for 2021/22 with an overall budget cost of £2.945m;

5. Delegate authority to the Executive Director, Children, Families and Education to vary the proposed Schools' Maintenance Plan to reflect actual prices and new urgent issues that may arise, including authorising spend against the allowance for emergency and reactive works. The Executive Director, Children, Families and Education shall report back to members in respect of any exercise of such authority;

### **School Place Planning**

#### Academy conversion

6. Note the change of status of Woodcote Primary to an academy;

#### Early Years

7. Note the 2020 Childcare Sufficiency Assessment report as set out at Appendix 4 of the report;

#### Special Educational Needs and Disability (SEND)

8. Note that the SEND Estates strategies are contributing positively to the development of local provision maintaining some of our most challenging and vulnerable children and young people with SEND within their families and communities. For example, the:
  9. New special school – Addington Valley Academy - for severe and complex children with Autism Spectrum Conditions is underway and on schedule;
  10. New school build for St. Nicholas Special School was completed and the school moved in over the last academic year;
  11. Croydon College Coulsdon Pathways provision for students with SEND aged 19-25 is now in its third year and has been a great success;
  12. Review of the SEND estate – Red Gates / St. Giles / Priory - in terms of its quality, safeguarding and feasibility as approved by Cabinet in January 2020 is underway; and

#### Alternative Provision / Pupil Referral Unit (PRU)

13. Note information on Alternative Provision / PRU.

### **General Fund Capital Programme 2020-24**

The Cabinet Member for Croydon Renewal, Councillor Stuart King, noted that the report included the draft capital programme for 2021-24 and proposed in-year amendments to the capital budget. It was noted that the in-year capital programme had been reduced by £155m in October 2020 to reflect the council's financial position which had been principally made of £100m of savings from the removal of the asset acquisition line. The Cabinet Member stressed that the 2021-24 capital programme was

indicative only and revisions would be made ahead of the final version being taken to Cabinet in February 2021 and Council in March 2021 for approval. The Director of Finance, Investment & Risk and Section 151 Officer reiterated that the programme was draft only and that further changes would be made ahead of final approval.

In response to the Cabinet Member for Sustainable Croydon's question on the impact on the Growth Zone, the Cabinet Member for Croydon Renewal stated that Growth Zone funding had been reduced at the beginning of the 2020/21 financial year to reflect the current economic position of the town centre. It was stressed that it was important that investment in the Growth Zone was affordable and would generate revenue in terms of business rates. The Director for Finance, Investment & Risk and Section 151 Officer advised Members that the Growth Zone had been adjusted from £15m to £7m and had been adjusted in light of the economic climate and would continue to be reviewed in the development of the capital programme.

The Shadow Cabinet Member for Finance & Resources, Councillor Jason Cummings, stated that Members had got used to seeing borrowing figures increase year on year but noted that the council's ability to support borrowing had been significantly impacted by the financial position of the authority. The Shadow Cabinet Member noted that the draft capital programme committed the council to increased levels of borrowing despite the council already being at the Prudential borrowing limit. As such, it was queried whether the council would look to increase that limit and when plans would be brought forward to reduce the total level of borrowing.

In response, the Cabinet Member stated the indicative programme represented a reduction in borrowing to fund the capital programme as it was recognised that it was essential that capital programme was affordable. The Director for Finance, Investment & Risk and Section 151 Officer confirmed that the Treasury Management Policy, which included the Prudential borrowing limit, would be taken to Cabinet in February 2021 and Council in March 2021. It was further noted that borrowing would likely increase if the council's capitalisation direction request was approved but it was the ambition of the council to reduce the level of borrowing required by reviewing the capital programme.

The Shadow Cabinet Member for Culture, Leisure & Sport, Councillor Vidhi Mohan, noted that the draft programme identified £47.9m from asset disposal and queried what assets were due to be disposed. In response, the Cabinet Member stated that the council was developing an Asset Disposal Strategy which would include a framework which would be applied when decisions in relation to asset disposal were made. The Cabinet Member noted that the external auditors had raised concerns that the Asset Acquisition Strategy had been agreed following the purchase of Croydon Park Hotel and so the council would seek to agree the Strategy ahead of announcing any potential disposals. The figure contained within



the indicative programme had been based on assumptions on the potential value of assets but those figures needed to be verified. The Cabinet Member stressed that it was important that robust assessments took place and the Strategy was agreed first before any assets were disposed of.

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

**RESOLVED: To**

1. Note the draft capital programme, which excludes the Housing Revenue Account capital programme. Note the final capital programme will be presented for Full Council approval as part of the budget setting process;
2. Recommend that Full Council approve amendments to the in year capital programme;
3. Note the changes to the Public Works Loan Board (PWLB) borrowing requirements, include the need to provide an outline capital strategy to central government before any further borrowing is permitted;
4. Note the proposal to review the Highways budgets alongside the Highways Strategy in the new financial year; and
5. Cease the Asset Investment Board, as the Asset Acquisition Programme has stopped.

8/21

**Proposed closure of Virgo Fidelis Convent Senior School**

The Cabinet Member for Children, Young People & Learning, Councillor Alisa Flemming, informed Members that the report recommended the closure of Virgo Fidelis Convent Senior School, which was a Roman Catholic voluntary aided secondary school for girls aged 11 to 18 years old and was based in Upper Norwood.

The school's Interim Executive Board in consultation with the council and the Archdiocese of Suffolk had agreed to undertake a statutory consultation on the proposed closure from August 2021 due to the state of repair of the buildings, the pupil roll consistently decreasing during the previous seven years and the school budget deficit being significant.

The Cabinet Member confirmed that the consultation had taken place and the majority of respondents were opposed to the proposed closure with the three main reasons being; the loss of a catholic school in the area, the reduction in single sex schools in the borough and the history attached to the school. It was noted by the Cabinet Member that there was another catholic school in the borough, St Mary's Catholic High School, and there

were two single sex schools for girls in the borough, including Norbury Manor Business & Enterprise College which was in close proximity.

The Cabinet Member for Croydon Renewal, Councillor Stuart King, noted that at paragraph 6.7 of the report that there was a requirement for the council to take on the schools deficit following closure and requested assurance that while the school was running that the deficit was being managed and would be as small as possible. In response, the Interim Director of Education & Youth Engagement, Shelley Davies, confirmed the council was in regular contact with the Interim Executive Board and the school's leadership team to ensure the deficit was kept as low as possible as it was understood that this would impact the council. Legal advice would also be sought in relation to the deficit and what support was available.

The Leader noted that the school was the second school in recent years to be put forward for closure and queried whether horizon scanning was taking place to understand whether there were any other schools which could face similar challenges. The Interim Director confirmed that strong processes had been put in place in the previous 18 months to monitor schools which had submitted a deficit and regular meetings took place with those schools. Detailed information was requested from schools so that the council could understand why there were deficits and plans were required to be submitted which outlined how they would manage the school within budget. It was stated that there were a number of schools in the borough which had submitted deficits but that she and the Head of Finance for Children, Families & Education, Kate Bingham, were meeting those schools regularly to both provide a level of challenge and support.

The Shadow Cabinet Member for Children, Young People & Learning, Councillor Maria Gatland, noted that the council had little choice but to consult on the proposed closure of the school as pupils no longer had access to a full curriculum and the school buildings were unsafe. Despite the situation, the Shadow Cabinet Member recognised the concerns raised as disruption to pupils education would be experienced and parent choice would be compromised. It was recognised that there were spaces at St Mary's Catholic High School, but the Shadow Cabinet Member queried how this would work as the school was a mixed school. Additionally, the Shadow Cabinet Member noted the school had been running a deficit for a number of years and queried why this had not been tackled earlier.

In response, the Cabinet Member recognised there would be disruption for pupils moving from a single sex school to a mixed school and thanked the Principle of St Mary's Catholic High School for his support. Conversations would be held with each family to take into consideration their preferences when placing children into a new school. The Cabinet Member confirmed that horizon scanning was taking place to ensure that other schools were not in a similar position of returning deficits but the delay with Virgo Fidelis had been due to the council working with the

school to deliver a catholic school in the north of the borough and plans had been developed, however the safety of children was paramount and the buildings were deemed unfit for use. Furthermore, the Cabinet Member stated that when the Interim Executive Board had been asked whether there was scope to keep the school open and reduce the deficit the response had been that it was no longer viable and as such the proposal before Cabinet had been developed collectively with diocese.

The Interim Director added that due to the poor repair of the school, some children had already been moved to St Mary's Catholic High School and were being taught in a single sex area of the school; this had ensured that the pupils would receive their education in one school until they finished their GCSEs. In terms of in-year admissions, work would begin only if Cabinet approved the closure. The council would then work with each family in terms of the type of school they were looking for and where there were places available. Additionally, as Virgo Fidelis was based on the borough boundary, the Interim Director advised that the council would seek to work with partners in neighbouring boroughs should parents wish to explore other alternatives. It was recognised that moving children was never an easy option but the Interim Director stressed that a lot of work had taken place with the Interim Executive Board and diocese in coming to the decision to propose the closure of the school.

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

**RESOLVED: To**

1. Consider the representations made in response to the statutory notice and consultations regarding the proposed closure of Virgo Fidelis Convent Senior School from August 2021; and
2. Approve the proposed closure of Virgo Fidelis Convent Senior School from August 2021.

9/21

**Dedicated Schools Grant Schools Funding 2021/22 Formula Factors**

The Cabinet Member for Children, Young People & Learning, Councillor Alisa Flemming, noted that the report outlined the proposed allocation of the schools block element of the Dedicated Schools Grant (DSG) for both maintained and academy schools in Croydon. The Department for Education (DfE) required Cabinet approval prior to submission on 21 January 2021 and the proposal contained within the report sought a phased implementation of the DfE's proposed national funding formula.

Jolyon Roberts, Chair of the Schools Forum, was welcomed to the meeting. He informed Members that he had been Chair of the Schools Forum for over ten years and had been a Head Teacher in Croydon for 17 years. He stated that he had followed the discussion on the DSG High Needs Funding at the General Purposes & Audit Committee and had fed

back to the Schools Forum on that discussion. Members were informed that the Schools Forum met monthly and there were several sub-committees and working groups which looked at specific areas and fed back to the Forum and all those involved in developing the report were thanked for their hard work.

Jolyon drew Members attention to paragraph 3.10 of the report and stated the Forum had sought to progress towards the national funding formula over time to manage the change more effectively and Croydon was now closely aligned to the recommendations of the funding formula. Members were assured that the DSG was considered carefully by the Schools Forum ahead of recommendations being made and was reviewed quarterly.

The high needs block of the DSG was raised by the Chair of the Schools Forum as being a concern for all as there had been increased levels of responsibility for young people aged 18 to 25 whilst there had been no additional funding to support that work. A plan had been developed in response to the RIPI and regular meetings were reported to have taken place to ensure effective scrutiny was being implemented.

The Leader thanked the Chair of the Schools Forum for his attendance at the Cabinet meeting and for all of his work as both the Chair of the Schools Forum and as a Head Teacher in Croydon.

The Interim Head of Finance for Children, Families & Education, Kate Bingham, advised Members that the wording of the recommendation should be amended to remove the word “provisional” as Cabinet were being asked to agree the final funding formula. In response, the Leader thanked the Interim Head of Finance for the clarification and confirmed that Cabinet understood the amendment.

The Shadow Cabinet Member for Children, Families & Education, Councillor Maria Gatland, thanked the Chair of the Schools Forum for his attendance and attested to the work on the Forum which often considered complex pieces of work. The Shadow Cabinet Member welcomed the expansion of places for pupils with SEND which she hoped would support managing the high needs deficit and questioned whether the proposal was enough. Furthermore, she noted that it was proposed that there would no longer be transfers from the schools block to the high needs block and queried whether there would be further expansion of places to make up the deficit.

In response, the Chair of the Schools Forum informed Members that previously the schools block could be top sliced in order to make up the shortfalls in funding for the high needs block but that the arrangements for the national funding formula stopped this, except for, in his opinion, a small percentage. Given that mainstream schools were under immense pressure the Schools Forum was happy for the money to remain with them rather than be allocated elsewhere. It was recognised by the Chair

of the Schools Forum that there remained a large amount of work to be done to manage the high needs block and welcomed the increased funding received over the previous two years. Furthermore, historically a high amount of spending was taking place outside of the borough and there was a desire for the majority of Croydon children to be educated in the borough which would support reducing expenditure. Whilst overspend in the first three quarters of 2020/21 had reduced the budget was still overspending and further work was required to improve the budget.

The Cabinet Member thanked the Chair of the Schools Forum for all of his work in educating the young people of Croydon and supporting the Schools Forum for a number of years. Officers were also thanked for all their work in supporting the Forum and developing the papers. The work and commitment of all teachers was praised as it had been a particularly challenging year.

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

**RESOLVED: To**

1. Approve the funding formula for Croydon schools for the financial year 2021/22 for maintained schools, and the academic year 2021/22 for academies, in line with the recommendations of the Schools Forum:
  - a. To agree for the phased implementation of the National Funding Formula in 2021/22 to ease the potential turbulence of moving to a hard formula at a later stage; and
  - b. To agree the funding formula factors set out in Table 2 and paragraphs 3.10 to 3.31 of the report.

10/21

**Making Croydon's Private Rented Homes Safer and Protecting Residents**

The Cabinet Member for Homes & Gateway Services, Councillor Jane Avis, stated that she did not underestimate the importance of the report as keeping residents safe was a key priority of the Administration. It was noted that a third of properties in the borough, 58,000, were privately rented and 3,000 of those properties were Houses in Multiple Occupation (HMO); as such it was imperative that the council had policies and enforcement in place to protect residents.

Officers were thanked by the Cabinet Member for developing the paper and their dedication to the work of keeping residents safe.

The Cabinet Member highlighted that the report sought agreement for the revised policy, Determining the Penalty and Band, to be utilised and for the revised Statement of Principles relating to smoke and carbon

monoxide alarms to be agreed. It was noted that the latter was integral to resident safety as a number of people passed away from carbon monoxide poisoning annually. Furthermore, the revised fee structure and amended licensing conditions for HMOs were also included within the report for agreement. It was noted that it was proposed that all aspects would commence on 1 February 2021.

It was noted that the Government had given council's additional powers and sanctions to impose which was welcomed by the Cabinet Member as it supported the council to tackle rogue landlords, letting agents and property managers. The Cabinet Member stated that she felt covid-19 had highlighted the situation further as people had been forced to stay in their homes and so ensuring the safety of those residents was essential. It was hoped that the private rented sector would welcome the new regulations as it was noted that each rogue landlord negatively impacted the reputation of the whole sector.

The Executive Director of Place, Shifa Mustafa, noted that recommendation 1.8 in the report would give the council additional powers and control around the disposal of waste which would also protect tenants and residents within the vicinity.

The Cabinet Member for Sustainable Croydon welcomed the report as ensuring high living standards for those living in HMOs was important. He queried whether further details could be provided in terms of the enforcement which would be put in place as the issues highlighted within the report caused a great amount of concern for tenants and residents across the borough.

In response to the query the Private Housing Manager, Nick Gracie-Langrick, stated that he had a good team who were all well trained. As part of the implementation of new powers, all team members would undergo additional training in relation to the new powers and when it was appropriate to enforce those powers. Furthermore, the team worked with landlords across Croydon and would utilise different forums to promote the new regulations to ensure landlords were aware of the new conditions and ran their properties safely.

The Cabinet Member for Croydon Renewal, Councillor Stuart King, noted that household waste management presented a challenge to all residents and was often raised with councillors. As such, he welcomed the proposed powers and noted that responsibility would be placed on the landlord to act once they were alerted of issues in terms of waste disposal by writing to occupiers within 14 days. This would support tackling the concerns of residents regarding absentee landlords who did not manage the properties appropriately. The Cabinet Member concluded that while he welcomed the measures he stressed that he was fully aware that the vast majority of landlords acted responsibly.

The Shadow Cabinet Member for Homes & Gateway Services, Councillor Lynne Hale, thanked officers for the work that had gone into the report, which she welcomed. It was stated that there was no place in Croydon for landlords who would exploit tenants or provide unsafe or substandard accommodation. She welcomed the wider enforcement responsibilities and powers introduced by the Government which enabled the proposed changes to conditions and licensing fees.

Paragraph 18 of the report discussed the Croydon Landlord Licensing Scheme which had been in place between October 2015 and September 2020 and the Shadow Cabinet Member queried whether a financial assessment had been undertaken in light of the *Gaskin v London Borough of Richmond* court ruling in terms of the scheme.

The Cabinet Member stated that an application had been made to the Secretary of State for Housing, Communities and Local Government in July 2020 to extend the Selective Licensing Scheme (SLS) but a response had not yet been received. The Private Housing Manager confirmed that the court ruling the Shadow Cabinet Member had referred to had introduced a split fee payment structure and the need for an additional payment had incurred an additional cost, however an assessment of that cost had not been made.

It was noted by the Private Housing Manager that the new fee structure had been introduced in December 2019 following a Cabinet decision and that there had been issues with collecting the second payment. The council, however had made it clear that should the Part B payment not be received within 14 days of the request being made, then enforcement would take place and should the payment still not be made then the license would be considered not duly made and there would be no refund for the Part A payment. As such, the landlord would be required to start a new application as the property would be considered unlicensed and subject to penalty.

The Chair of the Streets, Environment & Homes Scrutiny Sub-Committee, Councillor Leila Ben-Hassel, informed Members that the Committee would look at private sector homes regulations once the Secretary of State had made a decision on the application for the renewed Selective Licensing Scheme. It was noted that the additional powers outlined within the report would amount to additional work for the private housing team and Councillor Ben-Hassel queried whether there were sufficient resources in place to ensure enforcement took place.

In response, the Private Housing Manager confirmed that there would be an implementation period whilst training and the development of new procedures and policies took place but after that period it was hoped that staff would be able to use the powers effectively to protect the residents of Croydon.

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

**RESOLVED: To**

1. Note the new enforcement powers available to the Private Sector Housing Enforcement and Trading Standards teams including the various responsibilities, duties and commencement dates.
2. Adopt the proposed policy 'Determining the Penalty and Banding the Offence'; attached as Appendix 1. This policy covers the process to both:
  - Determine the Penalty - determine what is the most appropriate sanction to be taken against an offending landlord; and
  - Banding the Offence - where the sanction is a Financial Penalty, the level of penalty.
3. Resolve for the proposed policy 'Determining the Penalty and Banding the Offence' to supersede the existing policy "Determining the Penalty" which was approved on the 3 May 2017 and which the Council commenced using on the 8 May 2017.
4. Adopt the proposed revised Statement of Principles attached at Appendix 3 of the report which has been produced as required under regulation 13 of The Smoke and Carbon Monoxide (England) Regulations 2015 and agree to the publication of the Statement of Principles.
5. Resolve for the proposed Statement of Principles attached at Appendix 3 of the report to supersede the existing Statement of Principles, attached as Appendix 2 of the report, which was approved on the 3 May 2017 and which the Council commenced using on the 8 May 2017".
6. Agree to the proposed policy 'Determining the Penalty and Banding the Offence' and proposed revised Statement of Principles to commence on the 1 February 2021 in respect of powers created under the various enactments.
7. Approve the revised proposed houses in multiple occupation licensing ["HMO"] fee payment arrangement that requires the applicant to make the same total payment under the scheme if the licence is successfully granted, but in two stages, Part A on application and Part B if the License is granted, as detailed in a fee structure within section 18 of the report and documented in Appendix 4 (current fees) and Appendix 5 (proposed fees) of the report.



8. Authorise the Council to include new or revised houses in multiple occupation licence conditions as detailed in section 17 of the report and documented in Appendix 6 (current conditions) and Appendix 7 (proposed conditions) of the report covering:
  - the safety of the electrical installation requirements, new condition 1.2.1;
  - the revision of conditions 1.1, 1.2.2 and 1.2.3 to give a deadline of 14 days in which a licence holder must return a declaration to the Council on request;
  - the smoke and carbon monoxide alarm requirements, new condition numbers 1.3.1 and 1.3.2;
  - the control of anti-social behaviour, reworded condition 1.5 with new sections 1.5.2 and 1.5.3;
  - the storage and disposal of household waste requirement, new condition 1.6.1, 1.6.2, and 1.6.3; and
  - the introduction of minimum room standards in paragraph 2 and through 2.3 and 2.4, a system for managing breaches of 2.1 a landlord was not aware of.
9. Agree to adopt the proposed revised fee charging mechanism for houses in multiple occupation applications attached as Appendix 5 of the report made on or after the 1<sup>st</sup> February 2021.
10. Agree to adopt the proposed revised HMO licence conditions attached as Appendix 7 for new HMO licences issued on or after the 1 February 2021.
11. Authorise officers to arrange the publication of the documentation, subject to updates to ensure that typographical matters, such as reference to draft and seeking Cabinet approval, are updated prior to publication.

11/21

### **London Councils Grant Scheme 2021/22**

The Cabinet Member for Communities, Safety & Resilience, Councillor David Wood, stated that Cabinet were being asked to approve the recommendation of the London Council's Leader's Committee that the 2021/22 grant scheme budget be £6,668,000 with a contribution of £287,731 from Croydon. It was reported that Croydon's contribution would support activities to tackle two key priorities; combating homelessness and tackling sexual and domestic violence.

Cabinet were informed that applicants for the grants must be non-profit organisations which were able to work across more than one borough and could evidence that its work sought to tackle one of the priorities. Thirteen projects had been commissioned to deliver pan-London services and officers had reviewed the data provided by London Councils and were satisfied that Croydon had received its fair share of the services provided.

The Cabinet Member reported that since April 2017 an annual average of 859 Croydon residents had been supported under the first priority; combating homelessness and an average 5,130 residents had been supported under the second priority each year; tackling sexual domestic violence.

It was noted that the council was legally required to contribute towards the scheme based on the borough's population size and that the expenditure had been agreed by the Section 151 Officer.

The Shadow Cabinet for Safer Croydon & Communities, Councillor Andy Stranack, paid tribute to Elaine Collins who had sadly passed away during the preceding week from covid-19. It was noted that she had been excellent advocate of the community sector and Members sent their condolences to her husband and family. It was noted that paragraph 3.2.8 of the report highlighted the impact lockdown had on many organisations, with a number of groups having to close down or furlough staff. In light of this, the Shadow Cabinet Member queried whether any money had been returned to the council from London Councils and it was noted that he council had received money back from organisations within the borough due to the impact of covid-19.

In response, the Cabinet Member stated that he was not aware that money had been returned by London Councils but confirmed he would seek clarification and would write to the Shadow Cabinet Member to confirm the situation. The Leader noted that she had previously looked over the portfolio and her experience had been that where projects had been underperforming and there had been a saving, the Grants Committee had consistently sought to redeploy the funds to other projects to deliver the key priorities.

The Cabinet Member stated that the claw back in relation to the Job Retention Scheme had been different to the London Councils Grant Scheme. The council had been in contact with organisations to discuss when monies would need to be repaid due to the Job Retention Scheme. The Cabinet Member further confirmed that he would write to the Shadow Cabinet Member with further details.

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

**RESOLVED:** To agree the recommendations of the London Councils Leaders Committee to:

1. Approve the London Councils Grants Scheme budget for 2021/22 of £6.668m; and
2. Agree Croydon Council's 2021/22 contribution to the London Councils Grants Scheme budget amounting to £287,731.

12/21

### **Scrutiny Stage 1: Recommendations from Scrutiny & Overview Committee's consideration of the Strategic Review of the Council's Companies - Action Plan**

The Chair of the Scrutiny & Overview Committee informed Cabinet that the Committee had met on 21 December to discuss the PwC report on the Strategic Review of Council's Companies, including Brick by Brick, and had put forward 24 recommendations which were contained within Appendix A of the report. Responses from Cabinet on those recommendations were requested.

The Chair requested that the Scrutiny & Overview Committee be given the opportunity to review the second phase of the PwC report once it was available.

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

**RESOLVED:** To receive the recommendations arising from the Scrutiny & Overview Committee's consideration of the Strategic Review of the Council's Companies - Action Plan at the Committee meeting held on 21 December 2020, and to provide a substantive response within two months (i.e. at the next available Cabinet meeting on 22 March 2021).

13/21

### **Investing in our Borough**

The Cabinet Member for Resources & Financial Governance, Councillor Callton Young, stated that there were no separate contract awards for Cabinet to consider at the meeting, however Cabinet were being asked to note a contract variation to be taken under delegated authority for the Drop in Zone. It was explained that this extension would cover the period until the service was brought in house. The Cabinet Member further highlighted the decisions which had been made by the Director of Commissioning and Procurement since the last Cabinet meeting which were outlined within paragraph 4.1.2 of the report.

The Shadow Cabinet Member for Homes & Gateway Services, Councillor Lynne Hale, noted that whilst she did not disagree with the funding of the Turnaround Drop in Zone ran by CAYSH as it supported some of the most vulnerable young people in Croydon, she was concerned that the report highlighted the council had been in breach of public contract regulations. It was noted that concerns had been previously raised by the Shadow Cabinet Member at the Cabinet meeting on 19 October 2020 and the response had been that contract breaches had been due to the impact of covid-19. The Shadow Cabinet Member noted that contracts of this nature often took a significant amount of time to put in place and so work should have begun long before the pandemic. It was questioned whether the breach was due to covid-19 or that contract management had moved into a department of the council which had insufficient resources to manage them.

In response the Cabinet Member confirmed that the delay in extended the contract had been due to covid-19 but stressed that he agreed with the Shadow Cabinet Member's concerns. It was noted that the need to improve contract management had been raised as part of the RIPI, improvement plans and reviews of financial governance and that the council was looking to strengthen this area of work. The Cabinet Member noted that the council had a Contracts and Commissioning Board and discussions were underway to strengthen governance and use the Board to programme manage.

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

**RESOLVED:** To note

1. The contracts between £500,000 and £5,000,000 anticipated to be awarded under delegated authority from the Leader by the nominated Cabinet Member, in consultation with the Cabinet Member for Resources and Financial Governance and with the Leader in certain circumstances, before the next meeting of Cabinet, as set out in section 4.1.1 of the report; and
2. The list of delegated award decisions made by the Director of Commissioning and Procurement, between 25/11/2020 – 17/12/2020, as set out in section 4.1.2 of the report.

14/21

**Exclusion of the Press and Public**

This item was not required.

The meeting ended at 9.30 pm