

## Cabinet

Meeting of held on Wednesday, 24 April 2024 at 6.30 pm in Council Chamber, Town Hall,  
Katharine Street, Croydon CR0 1NX

### MINUTES

**Present:** Mayor Jason Perry (Chair);

Lynne Hale (Deputy (Statutory) Executive Mayor and Cabinet Member for Homes (Vice-Chair)), Councillors Jeet Bains (Cabinet Member for Planning and Regeneration), Jason Cummings (Cabinet Member for Finance), Maria Gatland (Cabinet Member for Children and Young People), Yvette Hopley (Cabinet Member for Health and Adult Social Care), Ola Kolade (Cabinet Member for Community Safety), Scott Roche (Cabinet Member for Streets and Environment) and Andy Stranack (Cabinet Member for Communities and Culture)

**Also Present:** Councillors Rowenna Davis (Chair of Scrutiny and Overview Committee), Richard Chatterjee (Vice-Chair of Scrutiny and Overview), Stuart King (Leader of the Opposition), Callton Young (Deputy Leader of the Opposition and Shadow Cabinet Member for Finance), Janet Campbell (Shadow Cabinet Member for Health and Adult Social Care), Christopher Herman (Shadow Cabinet Member for Streets and Environment), and Chrisni Reshekaron (Shadow Cabinet Member for Homes)

### PART A

146/24 **Minutes of the previous meeting**

The minutes of the Cabinet meeting held on Wednesday 27 March 2024 were agreed as an accurate record.

147/24 **Disclosure of Interests**

There were none.

148/24 **Urgent Business (If any)**

There were no items of urgent business.

149/24 **Scrutiny Stage One**

The Executive Mayor introduced the Scrutiny Stage one report.

The Chair of Scrutiny and Overview Committee, Councillor Rowenna Davis, shared with Cabinet that:

- The Scrutiny and Overview Committee (the Committee) were pleased to note that once the extraordinary support from national government was taken into account that council was not projecting an overspend at the end of the year.
- The Committee noted that steps were being taken to cut costs were possible in regard to the housing departments overspend and to speed up the building works budgeted for within the capital accounts where there had been capital slippage in education.
- In regard to the council's debt burden, the Committee felt that more information could be provided in terms of negotiations with central government, and noted with appreciation the S151 officers offer to consider if more detail could be provided.
- Lastly, the Committee hope the final Homelessness and Rough Sleeping Strategy 2024-2029 will reflect the suggestions put forward, at Full Council. The intentions are excellent and the delivery plan is welcome but the Committee noted that there is concern with the current service and capacity as a whole for the department to systematically handle the sheer level of need whilst delivering the major transformation proposed.
- Councillor Rowenna Davis praised the Cabinet Member for Homes, Lynne Hale, the Corporate Director of Housing, Susmita Sen and officers for always remaining open and grateful for feedback and working so hard to improve things within the sector.

The Cabinet Member for Finance, Councillor Jason Cummings provided reassurance to Cabinet that in regard to capital slippage in education anything that slipped into the following year remains within the programme. None of the construction items relate to health and safety so there is no danger to the delays. Clarity was also provided in relation to the offer from S151 officers, this was in direct relation to conversations that take place between the Council and Civil Servants. There is no intention of providing any additional information in terms of direct negotiations with government regarding the debt position as it would be inappropriate.

The Deputy Mayor and Cabinet Member for Homes, Councillor Lynne added her thanks to Councillor Davis and pointed out that the restructure is one of a series of steps to improve the service. A DHLUC endorsed staffing structure which needs to be given a chance to imbed. The time and consideration the Committee had input to the representations were noted.

The Executive Mayor Resolved to:

2.1 The Executive Mayor has the power to make the decisions set out in the recommendations contained within this report. The Executive Mayor in Cabinet is asked to:

1. Receive the recommendation arising from the meeting of the Streets & Environment Sub-Committee held on 30 January 2024 (Appendix 1).

2.2 To provide a substantive response to the recommendation (a Scrutiny Stage 2 Report) at the Cabinet meeting on 26 June 2024

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### **Homelessness and Rough Sleeping Strategy 2024- 2029**

The Executive Mayor introduced the Homelessness and Rough Sleeping Strategy Plan 2024 - 2029 which looks to improve the current service and address an issue which is a London wide problem having engaged with residents and partners.

The Deputy Mayor and Cabinet Member for Homes, Councillor Lynne Hale shared with Cabinet that the Homelessness and Rough Sleeping Strategy 2024 - 2029 in conjunction with the Housing Transformation programme agreed at Cabinet in December 2022 sets out how the council intend to improve the homeless and rough sleeping services and provide better outcomes for residents at risk of being made homeless and the homeless after years of neglect which will take years to fix. The proposals provide for a better structure which will respond better to and prevent the causes of homelessness, reliance on temporary accommodation and achieve better outcomes for residents and families. The Cabinet noted that extensive consultations were undertaken.

The Corporate Director of Homes, Susmita Sen added that the strategy provides the foundations of working ways going forward, a key part of the Transformation Programme and the start of an exciting journey.

The Shadow Cabinet Member for Homes, Councillor Chrishni Reshekaron welcomed the fact that the council was in a position to publish the proposed strategy. However, concerns were noted with the recommendations made by the Scrutiny Committee. Serious consideration will be given as to how the strategy can be improved and strengthened which will likely involve submissions of amendments which will be developed in time for the next full Council.

The Deputy Mayor and Cabinet Member for Homes, Councillor Lynne Hale responded that amendments should be submitted at the earliest opportunity to be able to consider and build them into the strategy and

noted that it was clear that the Shadow Cabinet wanted to be part of creating the strategy and welcomed the positive contribution.

The Executive Mayor reiterated the sentiment that there is plenty of opportunity to feedback and welcomed engagement with the process to develop the strategy as early as possible rather than last minute objections and recommendations. This will come to full Council in due course.

The Executive Mayor in Cabinet **Resolved** to:

**2.1** Agree to;

2.1.1 the Homelessness and Rough Sleeping Strategy 2024- 2029 as detailed in Appendix A;

2.1.2 the Homelessness and Rough Sleeping Strategy Summary Review detailed in Appendix B; and

2.1.3 the Summary Homelessness and Rough Sleeping Consultation Report detailed in Appendix C

**2.2** Delegate authority to the Corporate Director of Housing to make minor amendments to the Strategy in consultation with the Executive Mayor and Cabinet Member for Homes following agreement by the Executive Mayor but prior to its recommendation and adoption by full Council.

**2.3** For the reasons set out above **RECOMMEND TO FULL COUNCIL** the adoption of:

2.3.1 the Homelessness and Rough Sleeping Strategy 2024-2029 as set out in Appendix A;

2.3.2 the Homelessness and Rough Sleeping Strategy Summary Review in Appendix B; and

2.3.3 the Homelessness and Rough Sleeping Consultation Report in Appendix C.

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## **NEC Housing System Phase 2 Implementation**

The Executive Mayor introduced Phase 2 which reaffirms the council's commitment to rebuild and invest in the Housing Service since the reinvigoration of the project which went live in 2023 after numerous points of failure.

The Deputy Mayor and Cabinet Member for Homes, Councillor Lynne Hale informed Cabinet that the major problems previously encountered across the housing service were consistent with a lack of data hence the

need for the old system to be replaced. Cabinet noted that the 2<sup>nd</sup> phase will expand on the mechanisms, efficiencies and polices of phase 1 allowing for better standards and a raft of benefits including timely and accurate data submissions of homelessness case levels thereby conforming with grant conditions required by DHLUC which will enable the council to secure maximum grant entitlements.

The Shadow Cabinet Member for Homes, Councillor Chrishni Reshekaron welcomed the phase 2 implementation as it will enable a more evidence driven service and asked what action is being taken to ensure there is a greater buy-in from users and an effective change in the management approach for embedding of the new modules.

The Corporate Director of Homes, Susmita Sen responded that the governance arrangements were reset, champions were identified across the business, and being clear about the outputs has resulted in good engagement. As a result a smooth roll-out of Phase 2 is anticipated.

The Executive Mayor in Cabinet **Resolved:**

- 2.1** To make a one off draw down from Housing Revenue Account reserves to fund:
  1. One off cost for interim technical specialists to deliver the planned 12-month continuation phase of the NEC Housing project for the year 2024/25 at a cost of £1.459m
  2. Purchase of the NEC Risk module at a value of £56k bringing the total one off cost of £1.515m including the amount stated in 2.1.1.
- 2.2** To note that the portion of this project met by the General Fund is £156,000 in 2024/25 for the work done on Homelessness and Allocations.
- 2.3** To note that a permanent team for the ongoing improvements and internal support of the system is to be recruited.
- 2.4** To note that any contract related decisions will be made in accordance with the Tenders and Contracts Regulations and Public Contracts Regulations 2015.

## **Period 10 Financial Performance Report**

The Executive Mayor introduced the Period 10 Financial Performance report which showed the council remains on track for a balance budget with a projection of a £1.3M underspend.

The Cabinet Member for Finance, Councillor Jason Cummings, shared with Cabinet that it was very encouraging to see that a slightly better than balanced budget is predicated although there are still opportunities for improvement and pressures to be revealed. Cabinet noted the two significant changes from the previous month;

- The reduction in the overspend position with Children, Young People and Education which was positive
- There was a negative shift in Housing which was on the radar. The issues related primarily to sector pressures and the ongoing issues present at Sycamore House and associated costs.

Neither resulted in an overspend situation.

The Shadow Cabinet Member for Finance, Councillor Callton Young, asked why the negotiations with the freeholder regarding compensation had taken so long. Further, is the prudence now alluded to an accounting judgement because the council does not expect to conclude the negotiations during the current financial year or because the council does not expect to receive the compensation forecast. Lastly, are the sixty-three long-term voids which used to house one hundred and thirty three residents a cause for concern given the ongoing battle against homelessness in Croydon.

The Cabinet Member for Finance, Councillor Jason Cummings advised that the freehold is contested therefore a projected legal position will ensue, especially when issues relate to the original leases which were not clear when created and the complexities involved with fire safety. In regard to prudence, putting the costs in now is not acceptance of the end position but the correct approach to a perceived risk by this council in terms of any future impact. It is the prudence approach. In conclusion, it is a concern residence are still void, full occupancy is preferred but where there is a fire safety issue that risk should not be taken.

The Corporate Director of Homes, Susmita Sen added that regrettably voids are being held but are a significant part of the Transformation programme. Void rates are decreasing, in the last year seven hundred have been let.

The Executive Mayor added that voids were regrettable but seven hundred in 12 months highlights how proactive the council is on the issue.

The Executive Mayor in Cabinet Resolved:

- 2.1 to note the General Fund revenue budget outturn is forecast to underspend by £1.3m at Period 10, after the budgeted utilisation of £63m capitalisation directions requested from DLUHC.

- 2.2 to note the progress in Medium Term Financial Strategy (MTFS) savings achievement of £32.4m (89.8%) against the total savings target of £36.1m as set out in paragraph 4.106.
- 2.3 to note the work that has commenced on the Council's Transformation Programme as set out from paragraph 4.101.
- 2.4 to note the Housing Revenue Account (HRA) revenue budget outturn is forecast to overspend by £12.0m.
- 2.5 to note the General Fund capital programme 2023-24 forecast underspend of £23.2m against the capital budget of £124.0m.
- 2.6 to note the HRA capital programme 2023-24 forecast overspend of £1.8m against the capital budget of £39.2m.
- 2.7 to note the Council's historic borrowing and subsequent debt burden continues to be critical to the non-sustainability of the Council's revenue budget. Dialogue with the Department for Levelling Up, Housing and Communities (DLUHC) continues, and the Council is seeking further financial support from Government in regard to its level of structural Indebtedness to ensure it can deliver sustainable Local Government services.
- 2.8 to note that the Council continues to operate Spend Control Panels to ensure that tight financial control and assurance oversight are maintained.
- 2.9 to note that current forecasts are based on the best available information at the time and will be subject to review and change during the financial year.

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### **Housing Ombudsman Determinations 2023 - Report by the Monitoring Officer under section 5A of the Local Government and Housing Act 1989**

The Executive Mayor introduced the report which outlines the response to the four determinations of Severe Maladministration relating to complaints made to the Housing Ombudsman regarding service failures that occurred between September 2019 and March 2022. Apologies were given by the Executive Mayor to the residents who were affected.

The Deputy Mayor and Cabinet Member for Homes, Councillor Lynne Hale informed Cabinet that the Housing Ombudsman and the Regulators for Social Housing expect the council to learn from these service failings and put them right as a matter of urgency, and shared further apologies to the residents which Cabinet noted.

The Executive Mayor in Cabinet **Resolved:**

- 2.1 To note the Housing Service responses to these severe maladministration determinations at the strategic level within the Housing Transformation Programme, and action plans at a service level to address specific service concerns raised by these HO determinations.

The meeting ended at 19:12