

Cabinet

Meeting of Cabinet held on Monday, 14 December 2020 at 6.30 pm. This meeting was held remotely; to view the meeting, please click [here](#).

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, Nina Degrad, Felicity Flynn, Patricia Hay-Justice, Bernadette Khan and Shafi Khan

Officers: Katherine Kerswell (Interim Chief Executive), Jacqueline Harris Baker (Executive Director of Resources), Elaine Jackson (Assistant Chief Executive), Debbie Jones (Interim Executive Director of Children, Families & Education), 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

93/20 **Disclosure of Interests**

There were none.

94/20 **Urgent Business (If any)**

The Director of Public Health announced that Covid cases recorded in Croydon had doubled in the past month, which had risen to 197.3 cases per 100,000, which had led to an increase in hospitalisation and deaths. The spike was apparent in all age groups. The council intended to increase testing capacity, however testing was only one aspect of prevention and residents needed to limit social interaction and follow restrictions. A new Tier 3 lockdown would commence from midnight on 15 December. The Director of Public Health stated that she would ensure staff and residents were updated as information filtered through from central sources.

The Leader thanked the Director of Public health for her messaging and welcomed further information as it became available. It was close to the Christmas period window of rules relaxations and she said everyone must consider carefully their behaviour during that time.

The Leader of the opposition thanked the Director of Public Health and council staff for their ongoing work and his thoughts were with those personally affected by the virus, families and businesses. He stated that everyone needed to take personal responsibility seriously during this time.

95/20

Croydon Renewal Improvement Plan update

The Leader introduced the [report](#) which provided an update on the development of the submission to the Ministry of Housing, Communities & Local Government (MHCLG) in support of a capitalisation request and the Croydon Renewal Improvement Plan in relation to the financial challenges the council faced. The plan set out the council's position, risk, principles, priorities and its savings plan. The improvement journey clearly set out the level of change necessary for financial recovery and the task of management to balance the council's budget. On the Medium Term Financial Strategy (MTFS) there still remained a budgetary gap of £150 million. The council recognised the scale of improvement required with a total of 400 recommendations to honour. It was cultural change as well as structural changes required to support the renewal journey and overarching improvement and no focus on specific functions. To assure delivery there would be an Improvement and Assurance Board established which would be panelled by external advisors appointed by MHCLG and oversight from the Scrutiny and Overview Committee and the General Purposed and Audit Committee (GPAC).

The Interim Chief Executive Officer (CEO) stated that the submission request was uncharted territory for the council and discussions with MHCLG throughout the past months had assisted the journey. The request to MHCLG was a detailed document and members would be updated with further details following the final submission.

The Director of Finance, Investment & Risk and Section 151 Officer stated that Table 4.7, Page 8 of the report, detailed the capitalisation requirement the council was requesting. Officers were working to ensure, investigate and justify the values listed. The request was for £150 million in total; cumulatively accounting for requirements of £70 million for 2020/21, £50 million for 2021/22, £25 million for 2022/23 and £5 million for 2023/24. The council was looking to deliver £80 million of savings in the MTFS, however there were still gaps remaining and they needed to produce more savings and less growth. Within this plan, they were contributing £5 million per annum to build the reserves towards a net goal of £57 million.

The Director of Policy and Partnership stated that the improvement plan detailed in the report built on Croydon Renewal Plan adopted, following

agreement at Cabinet on 25 November 2020. There were circa 400 recommendations drawn together by internal and independent expert lead workstreams tied into a single plan. The plan drew best practice from the NHS, central government and other local authorities who had actioned similar improvement journeys. The report referenced the learning and best practice for the project delivery in Croydon. The planning stage was critical to the journey, which would continue during talks with MHCLG. Going forward, the council required a stronger management structure, clear accountability, more robust monitoring agents and Key Performance Indicators (KPIs). The discussion with MHCLG was so far successful and they had informed the council of milestones and outcomes they wanted to see.

The Cabinet Member for Croydon Renewal thanked officers for their extensive work on the report. He stated this stage was the beginning of the improvement journey, although it was appropriate to reflect on the progress made in the past three months. He reassured Cabinet Members that the submission represented the strongest plan Croydon was able to put forward as an authority to the MHCLG. In reference to Table 4.7 on Page 8 of the report, he stated there were two savings lines. Firstly, the service reductions and efficiencies, which was £81.5 million identified to cumulatively deliver by 2023/24 and currently undergoing a public engagement exercise. Secondly, there was £73 million from the MTF5 financial recovery plan. All officers involved in achieving those savings must avoid any risk of double counting because both lines came from the same departments, saving in similar activities and there should be a robust monitoring process.

Following the submission on 15 December 2020, it would be right to allow MHCLG a period of time to digest the proposal and be given time to ask for clarity in any areas. With this in mind, the Cabinet Member for Croydon Renewal stated that it would still be helpful for the council to be given an indication of when it would be possible to publish the submission in keeping with the leadership's commitment of openness and transparency. In relation to the 'Finance MHCLG Milestone of Clarity on "areas of risk" for 2020-21 budget', Page 27 of the report, he stated that the council was clearly aware of the risk areas connected to Brick by Brick and asked if there were any other risk areas the council should be specifically focussing upon.

In response to the question of how long the period might be until a response from Secretary of State following the submission, the Interim Chief Executive replied that they had asked MHCLG when they might receive a response. She said they must account for the pressures that the MHCLG department and the Secretary of State would be facing at this time, including the run-up to parliamentary recess, the bank holidays and the local government settlement. It was unlikely the council would receive a response in 2020. They would be working hard to provide the council with an answer, even if it was just to include a package for this financial

year, due to the situation of the requirement to hold continuous emergency meetings of the Council to issue S114 notices.

In response to the question of if there were any specific financial risk areas the council should be aware of in 2020/21, the Director of Finance, Investment & Risk and Section 151 Officer stated that there may be risks with greater costs than already forecast, which were not always 100% accurate. It was important that every budget holder across the council paid care and attention to their forecasting and any concerns should be raised and acted upon quickly, particularly for the remainder of the financial year.

As part of issuing the S114 notice a Spending Control Panel (SCP) was established and there was clear evidence of poor financial practice in some service areas making requests to the SPC. However, this provided an opportunity to install best practice into the organisation, namely in terms of raising purchase orders in advance or receiving goods of services, which would enable the council to more accurately forecast spending and understand the financial commitments across the organisation. Other risks included moving into Tier 3 Covid lockdown measures, as the financial implications were not clear, alongside winter pressures, where there would be decreased income and increased demand for council services.

The Cabinet Member for Culture & Regeneration thanked officers and Cabinet colleagues for their serious determination grappling with the financial challenges the organisation faced. He stated that in the report there were a number of references to savings consultations between December 2020 and January 2021. He made a distinction that the savings which would be made to the libraries service would be a separate process and subject to statutory consultation. Secondly, he asked if there was a net financial impact of Covid to date.

In response, the Director of Finance, Investment & Risk and Section 151 Officer stated that the council had received four tranches of Covid funding from the government. A total of £32 million of specific emergency funding. This funding was being held centrally and would be allocated to departments which would be seen as part of the Quarter 3 Budget Monitoring report to Cabinet. The funding would not be enough to provide departments with 100% of their Covid related spending and an allocation would need to be agreed. The Director of Finance, Investment & Risk and the Section 151 Officer noted that the significant overspend in Children, Families and Education and Health, Wellbeing & adults would be offset by some of the emergency funding.

The Cabinet Member for Homes & Gateway Services had two questions; firstly, she asked if the council would have to repeat the process of requesting the capitalisation funding and secondly, if any of the capitalisation fund requested would be in jeopardy if any risks worsened. In response, the Director of Finance, Investment & Risk and Section 151

Officer stated that the council's ambition by the end of the three year period was to be financially sustainable, following the single submission process for the capitalisation loan with a payback period of 20 years. The lending arrangement would carry conditions from MHCLG and there would be risks associated if the council strayed from those.

The Cabinet Member for Sustainable Croydon thanked officers and Cabinet colleagues for the huge efforts on developing the proposals, which was underpinned by a fundamental transformation of the council systems of internal control, governance and management. He asked what the potential impact of a no deal Brexit would be on the council's position to deliver a balanced budget and savings proposals detailed in the report.

The Director of Finance, Investment & Risk and Section 151 Officer replied that currently there was not a line in the MTFS covering the scenario of a no deal Brexit because the impact was unknown. They would be keeping a close check on the council's position and ensure accurate forecasting going forward. In the case of savings plans not being delivered as a result of Brexit, the council would take immediate action to address concerns. There was some Brexit government funding which would cover setting up applications, for example for people to apply for status. In terms of implications on council contracts, this was not yet clear and would be carefully monitored.

The Cabinet Member for Resources & Financial Governance congratulated the team of officers and Cabinet colleagues who had worked on the submission and financial response in the past three months. In reference to section six of the report, Delivery and Monitoring, he stated that he was particularly interested in the how the proposals would be taken forward. This set out the establishment of a Programme Management Office (PMO) and he asked for more details on its operation and funding.

The Leader responded that the assurance of renewal delivery was hugely important given the council's historical challenge in its capacity to achieve savings targets in previous years. Part of the plan was setting the foundation work before making the improvements across the organisation, which was crucial in building confidence for the MHCLG in the context of the capitalisation request. The Director of Policy and Partnership added that every accountable officer would be asked to ensure they had clear plans for all projects within the improvement plan, including what resources were required for delivery, the amount of funding required and what benefits they would be expecting. The PMO resource was an area planned for growth, supporting the corporate oversight and budget monitoring reporting functions, which were critical for the council's improvement journey and to provide stakeholders with the assurance of delivery.

The Cabinet Member for Children, Young People & Learning welcomed the strengthening of payment processes and future budgeting and the

support it would give to children's social care department. The Director of Finance, Investment & Risk and Section 151 Officer replied that the SCP challenged all expenditure across the council as any spending at this time should only be essential. She thanked colleagues who sat on the SCP which met twice per day. The SCP controls were a new territory for the council and it was now at a more developed point where positive changes were being seen.

The Cabinet Member for Economic Recovery & Skills congratulated officers for their work on the report. She stated that following the Tier 3 lockdown announcement for London, there would be a huge impact on the economy. The Mayor of London, the council and business partners were calling for a compensation scheme for lost income. The report outlined new ways of working and she asked if there would be any changes as London moved into Tier 3. In response, the Leader stated that the focus of the new ways and principles of working were to set the scene for the work ahead, to balance the budget and resolve the council's financial position. There would be implications of London entering Tier 3 lockdown in terms of support for business going ahead and London Councils shared council concerns.

The Leader of the Opposition thanked officers for producing the report and staff across all departments and the borough for their work during the difficult and uncertain times. He remarked that the papers for this agenda item were issued at 1.30pm on the day of the meeting, which gave the Opposition inadequate time to fully read, challenge and scrutinise the information contained within. However, he appreciated the time constraints on the nature of the documents, but in future would request papers to be published in a timely manner. Councillor Jason Perry praised the strengthening of purchase order procedures, however commented that it was a basic financial procedure of any size organisation.

The reality of the council's position was accounted to the decisions made in this Administration's terms in office, where during this period the council debt had doubled to £1.5 billion, the council lent £200 million to Brick by Brick without any repayments and purchased a hotel and shopping centres without any oversight. The Leader of the Opposition stated that there was a constant theme from the Cabinet Members saying how far they had come, but 70% of the current Cabinet Members had historically supported the choices which lead to those outcomes and were effectively part of the current bankruptcy. He asked how far could they really have come and what they had learnt which enabled them to be the force of change that Croydon desperately needed.

The Leader responded that there had been a series of papers reporting to Cabinet and Extraordinary meetings of the Council addressing the situation and how the Administration planned to move forward. This included actions for the council from the Report in the Public Interest (RIPI), extensive work on the request for a capitalisation direction and the

improvement journey planned to set up the systems and infrastructure required for meaningful change.

The Shadow Cabinet Member for Finance & Resources stated that at the last Cabinet meeting he asked a question in regard to the MHCLG return and if members' could have sight of the document prior to the final submission. There was clear intent given on this at the meeting, however the submission was not contained in the papers. He asked if the document would be published for Members to read following its submission to MHCLG. Secondly, in relation to the figures on the capitalisation directive, he stated that in the last Cabinet meeting papers the directive figure was £134 million, however it had now rose to £150 million. This suggested the situation had worsened by £16 million in two weeks. Each time any amount of work was completed the figures returned worse than the previous set and he asked how they could be assured the council was at a point where they were confident the figures wouldn't change again.

The Leader responded firstly, that it was not the intention for the papers of this meeting to have been published so late and she appreciated the understanding given on this considering the nature of the report, which represented the amount of work dedicated to producing the document and ongoing dialogue with MHCLG. The discovery and diagnostic work was detailed in the paper, working to understand the needs of the council during the MTFs and the structural deficit and this had caused a movement on the figures. The council needed to be clear and confident in understanding what it needed to resolve that structural deficit. Going beyond the capitalisation direction, the loan would stabilise the council's position in future budgets, which could be represented across the MTFs. Following work to understand the council's financial position, officers were confident that £150 million was the appropriate figure to request and would adequately support the reduction in reliance towards the end of the MTFs.

The Interim CEO stated that it was clear in the previous report that the submission would be presented to the next Cabinet meeting when it was completed, however they would need to provide MHCLG with confidence to explore issues and return for clarification prior to that. The current document may not be the final submission and MHCLG had previously indicated they may seek further information and the document would be available to share with Members once it was finalised.

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

RESOLVED: To

1. Note the updates in relation to the Croydon Renewal Improvement Plan; and

2. Note that the Chief Executive, in accordance with the delegation approved by Council on 28 November, will submit to MHCLG the proposal for a capitalisation direction on 15 December and provide an update to the Cabinet meeting as this progresses.

96/20

Quarter 2 Budget Monitoring

The Cabinet Member for Croydon Renewal introduced the [report](#), which set out the council's current revenue budget projected outturn for month 6, Quarter 2, September 2020. The figures, which had featured in other reports relating to the council's financial situation, demonstrated the challenging nature of the in-year position. The position was clear that the council could not realistically balance the budget without a capitalisation direction. He stated there were two points on the paper to highlight as questions to the Director of Finance, Investment & Risk and Section 151 Officer, firstly, in relation to Item 4.5, Table 3 – Delivery of In-Year Savings Initiatives, he asked for an update on the progress of delivery, for clarification if those were correct assessments when originally identified and asked if there were any particular concerns. Secondly, he asked for a summary on how Quarter 3 was looking.

The Director of Finance, Investment & Risk and Section 151 Officer stated that the report represented Q2 budget monitoring until the end of September 2020. As the council had moved in to the S114 notice and introduced Spending Control Panels (SCP) it was too early to comment on Q3, which would run until the end of December 2020, however they were able to confirm that the situation was not showing to worsen, nor massive improvements to be seen at this stage. Until purchase orders stopped being raised in arrears, it would be difficult to track the real time progress. The potential risks which were not forecasted in month 6 was London moving into Tier 3 lockdown.

In relation to Table 3 of the report, the Director of Finance, Investment & Risk and Section 151 Officer confirmed that most of the rates were moving in the right direction. This included the introduction of charging for bulky waste collection, work in children's services to reduce costs and changes to SEN transport – under 5's (all currently presented as Red on Table 3). An increased rate of risk was identified in potential further lockdowns caused by a decrease in parking income for the council (currently presented as amber on Table 3). She stated that Health funding was on track with positive ongoing conversations and funding agreements (presented as Green on Table 3), Staff savings was ongoing (presented as amber on Table 3) and Non-essential expenditure was improving due to the SCP (presented as amber on Table 3).

The Cabinet Member for Economic Recovery & Skills stated that it was reassuring the numbers were becoming familiar across meetings, which pointed toward stability and the council moving in the right direction. She asked for more detail on the spending figures and implemented savings mechanisms for children's services and adult social care.

In response, the Director of Finance, Investment & Risk and Section 151 Officer stated that there was a lot of challenges at the moment to those services. The council was working with the London Borough of Camden children's services and the Local Government Association (LGA) to learn good practice for both children's and adult social care and compare and challenge Croydon's expenditure. Both adults and children's departments had established panels to challenge their own costs and to ensure they were delivering services to the right users, for the right price and for the right period of time. They were reviewing care packages to ensure they were the right choice for Croydon in the longer term, rather than agreeing the packages and not revisiting their specs.

The Interim Executive Director of Children, Families & Education assured that mechanisms had been installed to robustly monitor spending in children's services in addition to the SCP. Most of the spends were relating to looked after children in the care system and over the past year they had seen a reduction in the number of children coming into care and therefore a reduction in the costs associated. They were on track for the projected savings, however this was a challenge particularly with increased pressures of the pandemic on families.

The Executive Director of Health, Wellbeing & Adults stated that his division had introduced spending panel geared towards minimum strategy spend, in addition to the SCP. They were also in conversations to recover claim back funds for Covid health services. Regarding forecasts, they included spending which had not been allocated to Covid costs into the budget. As a result, it must be taken into account that not all cost in the division were related to packages but services related to Covid which had to be provided.

The Shadow Cabinet Member for Finance & Resources noted that Item 4.8 of the report stated that the cost for each capitalisation of £10 million would cost the council £785,000 per year, therefore a £150 million capitalisation would look to be an annual cost of £12 million. He asked if that figure was included in the Croydon Renewal Improvement Plan update report, and if not, how were those payments going to be met. In response, the Director of Finance, Investment & Risk and Section 151 Officer confirmed they were included in the MTFS.

The Shadow Cabinet Member for Families, Health & Social Care raised concern over the cumulative impact of the cuts on the elderly, vulnerable and disabled residents in the borough who would be effected by a combination of reduction in face-to-face contact, community assets and the voluntary sector. The poor decisions from the Administration would adversely affect the elderly, which could be seen in the report on Table 3.5, Table 2 – Forecast Outturn 2020/21, and the Croydon Renewal Plan. The Administration had planned for care packages to be reduced in line with other London boroughs, however the vulnerable users had in the past received careful, detailed analysis and assessments for those

packages to be put in place - therefore it was worrying how those could be so significantly reduced and safely delivered. As well as financial risks, there were safeguarding risks. The Shadow Cabinet Member for Families, Health & Social Care asked how the council would balance the cumulative risks of the cuts and reduction of care packages to vulnerable people.

The Leader highlighted the importance of the Administration's standpoint on safeguarding, supporting communities and vulnerable residents which was framed by their priorities and principles in the Croydon Renewal Improvement Plan and approach to the MTFs. In terms of setting the care package spending in line with other London boroughs, it was right that the council ensured money was being spent in the in the best possible way to achieve the desired outcomes and it was known this was currently not always the case. The council was working to properly understand how they were spending the resource and ultimately supporting vulnerable members of the community.

The Shadow Cabinet Member for Culture, Leisure & Sport (Job Share), Councillor Vidhi Mohan, referred to Item 4.5 in the report, Table 3 – Delivery of In-Year Savings Initiatives and requested more information on the amber and red savings initiatives. He asked how many jobs would be cut as a result of the £2 million staff savings, how the most vulnerable would be affected by the £1.1 million cut to children's services and how the Administration could guarantee that fly tipping would not increase following recycling centre closure and discontinuing free bulky waste collection.

In response, the Cabinet Member for Croydon Renewal stated Members should refer to the Croydon Renewal Plan update papers reported to 28 September 2020 Extraordinary meeting of the Council to answer his various points raised. In terms of bulky waste collection, the service continued and the charge introduced was based on the actual cost to the council. In response to fly tipping, the Cabinet Member for Sustainable Croydon stated that he explained in detail on the 1 December 2020 Extraordinary meeting of the Council that residents who practiced taking their waste to recycling centre were not of the same cohort who fly tipped and there was no correlation of data to suggest otherwise. He added that fly tipping should be reported to the council and would subsequently be managed effectively by council officers and Veolia.

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

RESOLVED: To note

1. The net projected general fund financial overspend of £30.2m for the full year as at the end of month 6 quarter 2, September 2020 which includes all COVID-19 related expenditure and corporately held income of £38.0m received to date or anticipated from the government.

2. A number of risks could materialise which would see the variance increase. These include dividends and interest receivable from Brick By Brick (both historic accrued and in-year expectations) of £31m, and pending external audit verification of assumptions around 2019/20 accounting treatment of MRP and Transformation funding that could impact by £5.8m. Should all these risks which total £36.8m materialise, the impact on the current forecast overspend of £30.2m is an increased overspend to £67m, with general fund reserves of just £7.4m.
3. The above figures are predicated on forecasts from month six to the year end and therefore could be subject to change. Forecasts are made based on the best available information at the time of calculating.
4. That due to the timing of this report and the reports that have been issued to Council Members as part of the recent S114 notice this report is a shorter report than the usual monitoring report as the information contained in the quarter 2 financial monitoring has already been reported.

97/20

Review of the Capital Programme (Postponed)

The Leader of the Council informed Members that this report would be taken to the January 2021 Cabinet meeting.

98/20

Brexit - Planning for the future

The Leader introduced the [report](#), which outlined the implications of Brexit for the borough, including a 'No-deal' scenario. The council was acting to identify and seek to limit the risks and effects of Brexit to the organisation and communities in Croydon. As detailed in the report, Brexit would potentially cause negative effects, including: increases to interest rates, inflation to tariffs and the level of uncertainty of how the local economy would react. Cabinet Members had heard directly from EU nationals in the community who contributed to a past Cabinet meeting and this paper additionally highlighted staff members in that category, about the impacts on their families. Appendix A of the report summarised the range of activity the council was engaged in responding to the implications of Brexit in terms of the local economy, employment and workforce arrangements, council finance and procurement and community safety and cohesion.

The Brexit Working Group was an internal body to the council which sought to cover policy areas and worked to identify risks, actions and monitor functions – ensuring they were a part of the council's corporate risk register. The report detailed implications for sectors who were also adversely affected by the pandemic, for example hospitality, construction and the operation of the care sector. There were implications for existing

loans, investments in relation to the pension fund, the potential risk of reducing business rates, the impact of increased demand across communities due to rising unemployment, a potential increase in poverty and uncertain community safety and cohesion. In the wake of the referendum, there was a rise in the level hate crime which had reduced to pre-referendum levels.

The Executive Director of Place stated that the report set out clearly the implications for the four main areas, as set out in Appendix A, in a local and national context. Additionally, there was the uncertainty around further impact of Covid in a changing situation. She drew attention to Item 5.2 of the report, Table A: Percentage of jobs filled by non-UK EEA nationals, and stated that the six sectors accounted for 68,000 jobs in Croydon. If the London-wide proportionality was applied, 11,500 non-UK EEA nationals were employed in these sectors across Croydon. As well as the more generalised risk mentioned, there were also more specific risks for Croydon including borrowed money from European Banks and pension investments in European markets. In terms of the community, there had been approximately a 16% increase in hate crime in the borough following the referendum. These were all factors which the Brexit Working Group had been considering when compiling the risk register and action plan.

The Cabinet Member for Economic Recovery & Skills listed the impacts of Brexit on business, employment and economy in Croydon. In February 2020, the council organised a conference at Fairfield Halls with over 200 businesses in attendance, representatives from the London Chamber of Commerce and Industry (LCCI), London Business Hub and the Federation of Small Businesses. Many views and concerns of businesses were captured at the conference and fed into the report. In the run up to Brexit, businesses had held off spending and investment due to the uncertainty, which had major implications for local authorities in terms of their budgets and local economies. Since February 2020, Covid brought on an additional set of complex pressures and businesses had faced lockdown restrictions which had a huge economic impact.

There was a lot preparation required ahead from businesses at the end of the transition period, however it was currently unknown what the new arrangements were that businesses would legally have to adhere to. The council was working closely with the Mayor of London who had launched a new online portal which brought together key online resources from a range of partners to support businesses in understanding how to prepare for the end of the transition period. There was also an EU Exit Hub resource provided by the LCCI to support supply chain services and contracts who would be impacted from 1 January 2021. There was a significant risk of a skills shortage, as represented in the figures for the number of EU citizens in certain sectors, which added to the uncertainty faced by businesses.

The Cabinet Member for Culture & Regeneration stated that there was currently a lot of uncertainty for the business community, particularly in the eventuality of 'No-deal'. It was important for the council to signal its support in these uncertain times to the business community because they were job and livelihood creators in the borough. The Administration would continue to hold the government to account in the immensely challenging economic climate.

The Cabinet Member for Communities, Safety & Resilience drew to the community safety and cohesion element of the report and highlight the hostile impact of the referendum on hate crime statistics at that time. During the lockdown, the borough had again seen an increase in hate crime, which the Safer Croydon Partnership would be closely monitoring and incorporating into the work programme. The report flagged ongoing work with Croydon's faith and community sectors in terms of monitoring community tensions and awareness. It was important for the council to send out a message to all EU citizens of their valuable and contribution to the borough. In the stressful economic financial climate of Brexit it was likely that some people would direct their anxieties on community groups, which would be monitored.

The Cabinet Member for Homes & Gateway Services stated that the Home Office revealed new post-Brexit immigration rules would come into force on 1 January 2021, as quoted in the magazine 'Inside Housing' in October 2020. These rules would mean people with a history of rough sleeping may have their application to remain either cancelled or refused. Homelessness charities had branded this approach cruel and dehumanising. She asked how the new immigration rules would impact Croydon. In response, The Executive Director of Place stated that it was too early to predict the precise nature of the impact. There had been proactive work by the council to mitigate the risks around housing and unemployment by ensuring people were engaging with and understanding how to navigate the EU Settlement Scheme. This applied to council staff, providers and contractors.

The Cabinet Member for Children, Young People & Learning stated that there were 1.7 million children in the country living in food poverty, which would be exasperated by Brexit. It was important to move forward with a strong employment strategy and support communities to empower themselves because with lower financial support for families there would be a rise of children in the borough facing hardship, adding that this was a matter of public health.

The Shadow Cabinet Member for Economy & Jobs said that the report stated that part of the support given to local jobs included using Growth Zone to create jobs. A comment from the PricewaterhouseCoopers (PwC) in their recent strategic review report was that gross loan borrowing had been managed better than the rest of the council finances. However, when considering the gross loan estimates of over £300 million extra borrowing in its lifetime, whilst the council struggling to keep works afloat,

how could local businesses or business associations in Croydon expect the programme laid out in the Brexit strategy to help broaden employment now or in the future. In response, the Executive Director of Place stated that £300 million was a significant amount of money, but it was money estimated to be available to spend due to the growth in business rates and refocussing the spend of that growth towards local economic recovery, rather than providing major infrastructure for growth - as detailed in the report. The strategy was not about quitting works, but reviewing programmes and seeing if there was any external available support for those programmes given the financial challenges.

The Leader of the Opposition stated that challenges associated with Brexit had been known for some time and the report was particularly negative in light of the withdrawal agreement guaranteeing the rights of EU citizens and the business support available. The best way to support business was to work closely with them and fully deliver the Covid support grants, where Croydon ranked nationally in the lowest 10%. The council would be further hindering local business by removing free parking across the district centres and high streets. Most significantly, the council bankrupting the borough was the most harmful act to local businesses in the borough, which could not be attributed to the effects of Brexit or Covid. In response, the Leader highlighted that the report specifically set out how the council would mitigate the effects of Brexit on businesses and communities in the borough. The extent to which the council could influence those effects was limited due to negotiations being led by central government, who had left critical Brexit arrangements to the final hour leaving businesses with uncertainty and little capacity to prepare for 1 January 2021.

The Cabinet Member for Economic Recovery & Skills stated that the council was working with the business community to ensure they were providing the support described by the Leader of the Opposition. They were distributing the mandatory and discretionary business grants and it should be noted that the level of funding from the government was not satisfactory cover and many business were not receiving enough money to front their rent costs. Following the Tier 3 lockdown announcement for London, the Administration and Opposition needed to work together to help the business community, stakeholders and partners to secure more funding and support. Despite Covid, there were new business coming to the borough and thriving shopping districts.

In response to the opinion of the report appearing negative, the Cabinet Member for Communities, Safety & Resilience stated that the 16% rise of hate crime during the referendum was a negative life experience for many residents in the borough and potential future rises had to be addressed and mitigated. The context of the report was to reassure residents, not scaremonger as suggested by Opposition Members.

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

RESOLVED: To

1. Note the potential impact and responses to Brexit in Croydon, as set out in the report.
2. Endorse the statement that 'Croydon is open' for business and that everyone in our diverse communities is welcome.
3. Ensure businesses are aware of the EU citizens' rights to residency and employment as they are confirmed and support businesses' access to advice and guidance.
4. Agree that regular updates be provided to all councillors and relevant stakeholders for each of the key categories outlined in the report.
5. Continue to support the Mayor of London's #LondonIsOpen campaign.

99/20

Croydon Safeguarding Children Partnership Annual Report 2019/20

The Cabinet Member for Families, Children and Education introduced the [report](#). She commended the work the partnership had contributed to children with disabilities, vulnerable young adolescents and neglect. The partnership also notably helped the council's improvement journey and the 'Good' rating awarded by Ofsted. The report detailed the transitional process to the new multi-agency arrangements.

Di Smith, Croydon Safeguarding Children partnership (CSCP) Independent Chair & Scrutineer, gave the [presentation](#) outlining the first annual report of the partnership and its work.

The Interim Executive Director of Children, Families & Education stated that she would be speaking from her current council role and as a former national multi-agency facilitator for local authority arrangements. She stated that the improvement in partnership arrangements would have contributed to the recognition Ofsted gave to Croydon's overall improvement, which was reflected in the report. As this was the first report of the CSCP, naturally there would be transitional changes to come and challenge had been reflected in the discussion seen at the Scrutiny Children & Young People Sub-Committee. Members of that meeting asked the CSCP to provide assurance in relation to antenatal and development checks and more information regarding the partially met aspects of the neglect priority group. The report detailed the work planned for the 'Neglect' priority group during 2020, however the work had experienced delay due to pandemic.

In common with other partnerships, Croydon developed a neglect screening tool to enable greater awareness, which was a crucial instrument in identifying child neglect, early health and prevention. Other elements included the graded care profile, the development of locality arrangements and community of practice approach. In the end the impact of the newer safeguarding arrangements could only be judged by the difference in outcomes and impact on young people and the extent to which the work that was being pursued by all partners to ensure timely and early intervention to support children and families. Those monitors were appropriately requested by Members of the Children & Young People Scrutiny Sub-Committee.

The Cabinet Member for Families, Children and Education thanked Di Smith, CSCP Independent Chair & Scrutineer, Elaine Clancy, Joint Chief Nurse for Croydon Health Service NHS Trust and NHS Croydon Clinical Commissioning Group, Neil Cochlin, Detective Superintendent & Business Change Manager at Metropolitan Police- Head of Safeguarding, Croydon Bromley and Sutton and the Interim Executive Director of Children, Families & Education for their roles in the CSCP work. They had seen a dramatic and reinvigorated change in how the partners worked together. It was also important to highlight the work of the local authority into partnership, although it was not named as a lead partner in statue.

The report detailed the partnership's work earlier in the year on the Black Lives Matter (BLM) agenda, which was a powerful message to the community. A wider nationwide piece of work that the partnership contributed to was looking into school exclusions of Black, Asian, Minority Ethnic (BAME) pupils. Some of the key commitments in the report was work around the youth offending service, supporting the reduction in disproportionality of BAME children who came to the attention of gangs, supporting the complex adolescent panel and incorporating the multi-agenda group for child exploitation.

In response to the Cabinet Member for Culture & Regeneration asking what the impact was of the ratio of Unaccompanied Asylum Seeker Children (UASC) in the looked after children population on the council's ability to care for looked after children, the Interim Executive Director of Children, Families & Education stated that Croydon consistently responded to the challenges faced by UASC as they would any other vulnerable young person. One-third of looked after children and three-fifths care leavers in Croydon were UASC. Croydon delivered quality services to those young people from the point of entry to exit from the system.

The Cabinet Member for Croydon Renewal stated that in previous years the annual report of the board included details of internal meeting records, however this year those were not included. He asked if that was a conscious decision to not include those details for the partnership report. In response, Di Smith, CSCP Independent Chair & Scrutineer, stated that the new partnership arrangements did change the responsibility and

requirement. Under the old arrangements, the lead member was invited to attend in an observatory less open capacity. The executive group now had the three agency representatives and were run more as events rather than business meetings with more focus on learning and raising awareness. As mentioned by the lead member, the partnership responded to the BLM movement, as it was raised by a number of voluntary organisations as a safeguarding issue and an important subject for young people. The new arrangements enabled the partnership to be more responsive to emerging needs, rather than what previously occurred of being limited to set reports.

In response to the Cabinet Member for Communities, Safety & Resilience asking for more information in relation to the response from the partnership to BLM and Covid, Di Smith, CSCP Independent Chair & Scrutineer, stated that the executive group decided that it was important for one of the events to involve community and voluntary sector organisations and to hear directly from children and young people. Young people's words and experiences around the killing of George Floyd were presented at the group, which was a valuable and profound involvement to the partnership.

The Shadow Cabinet Member for Children, Young People & Learning thanked colleagues for the detailed report, as well as the Review into Vulnerable Adolescents that received national coverage in 2019. She stated that the report was even more important during the impact of Covid on children. It was encouraging to see the partnership responding to new challenges, collating new data, new forward plans, new training and new ways of working going forward. In common with the comments from scrutiny, she stated that it was not clear in the report the effect of the safeguarding arrangements and the outcomes for the vulnerable children, which would be useful in a future paper. Additionally, she praised the inclusion of a glossary and said that this work should be accessible to any reader, however more could be done to achieve that. In relation to the local authority as one-third of the partnership going bankrupt, she firstly asked how that would affect the partnership work going forward in safeguarding children, and secondly, how the number of children in care could be safely reduced in the best interests of the child.

Di Smith, CSCP Independent Chair & Scrutineer, replied that in terms of the financial contributions, the safeguarding partners gave the same amount and rationale to the partnership as they did previously to the board and there were no plans in place for that to change. The Interim Executive Director of Children, Families & Education stated Croydon Council was making a higher contribution than the other partners did not affect the levels of accountability across the partnership arrangement. The good work of the CSCP was strong alongside the Children's Improvement Board and the work of the Children & Young People Scrutiny Sub-Committee. Safeguarding remained the service's top priority, whether in financial challenges or not, and they would maintain statutory responsibilities to children. In terms of children in care, decisions would be

based on the best interest of the children and young people and not financial factors. Croydon would continue to significantly invest in edge of care services and aim to keep children out of the care system and at home wherever possible, and when in care, to give them the best possible care – which did not necessarily equate to the amount of money in the system.

The Opposition Lead Member for Scrutiny and the Chair of the Children & Young People Scrutiny Sub-Committee thanked colleagues for the report and praised the accessible format. He drew attention to the pre-decision scrutiny section of the CSCP report which referred to the Sub-Committee held on 3 November 2020, Page 9 of the agenda. He highlighted the following comments: there was no police representative at the meeting so no judgement could be made on their involvement in the partnership, some targets were not quantified therefore progress and outcomes were difficult to track and health checks were statistically significantly lower than neighbouring boroughs and there were no plans for improvement. Development checks were another opportunity to identify the potential for neglect, identified in the Vulnerable Adolescents Review, however the synergy for this appeared to not yet have been realised. He also noted that it had been repeatedly raised that there was not an equal funding agreement between the partners. He stated that in future the CSCP annual report should include concerns raised by scrutiny and reflect a more balanced summary of findings.

Di Smith, CSCP Independent Chair & Scrutineer, replied that there had been limitations in progress made last year in terms of the ability to deliver training during the pandemic and the concerns raised were not related to a lack of synergy between the priority groups. During that period, there was still a commitment to roll out the graded care profile which was a key tool for all partners to identify neglect.

In response to comments regarding the partnership funding agreement, Neil Cochlin, Detective Superintendent & Business Change Manager at Metropolitan Police - Head of Safeguarding for Croydon, Bromley and Sutton, stated that the police share was centrally distributed by the Mayor's Office for Policing and Crime (MOPAC). The funding formula was not in the gift of local leaders and was set by MOPAC. Concerns surrounding this issue not just in Croydon. Elaine Clancy, Joint Chief Nurse for Croydon Health Service NHS Trust and NHS CCG, added that the CCG and NHS had maintained their level of financial contribution, despite those partners working much closer together, by recognising the partnership and the financial challenges across the Croydon system. In relation to health visits, she stated that the CSCP would be reporting to the Children & Young People Scrutiny Sub-Committee on 19 January 2021 to talk through a detailed action plan organised by the Public Health and local authority commissioners.

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

RESOLVED: To note the Croydon Safeguarding Children Partnership (CSCP) Annual Report for 2019/20 which sets out:

- The transition achieved to the new multi-agency safeguarding arrangements.
- The CSCP contribution to the improvement journey of Children's Social Care.
- The Good Ofsted inspection outcome for Children's Social Care
- The progress relating to the priorities of the CSCP
- The assessment and scrutiny of safeguarding arrangements against the six safeguarding standards
- Summary of safeguarding issues across the CSCP

100/20

Croydon Safeguarding Adult Board Annual Report 2019/20

The Cabinet Member for Families, Health & Social Care introduced the [report](#). She stated the report contained significant learning for the statutory partners and thanked scrutiny for identifying training needs and the requirement for more engagement with the BAME community. She thanked multi-agency colleagues of Board for their hard work and stated that Opposition Members, Councillors Yvette Hopley and Margaret Bird, had also been welcomed to join the teams work.

Annie Callanan, Independent Croydon Safeguarding Adult Board (CSAB) Chair, gave the [presentation](#) which outlined the governance and accountability arrangements, report findings, future plans and detailed achievements in prevention, commissioning, personalising safeguarding, promoting the voice of the Croydon resident and communication and engagement.

The Executive Director for Health, Wellbeing and Adults praised the collaborative work across the teams, particularly during pandemic conditions, and the CSAB keeping the local authority to account. The number of beds in Croydon meant that the safeguarding responsibility was higher than some other London boroughs. In terms of changes to the council and its current financial position, Croydon would continue to ensure safeguarding as its statutory responsibilities were a priority.

Annie Callanan, Independent Croydon Safeguarding Adult Board (CSAB) Chair, stated that the collaboration she had witnessed at Croydon, also reflecting particularly on times during the pandemic, was impressive and clearly had built to a strong standard over a number of years.

The Lead Member for Scrutiny and the Chair of the Scrutiny & Overview Committee told Cabinet that it was the scrutiny functions statutory responsibility to monitor whether safeguarding arrangements were effective, which could be found in this case on the pre-decision scrutiny section, on Pages 84-85 of the agenda. During the Health & Social Care

Scrutiny Sub-Committee meeting on 10 November 2020, the Board provided honest and open answers to member questioning and detailed strengths and weaknesses of the partnership. He highlighted the importance of scrutiny report recommendations and responses and welcomed the Board's engagements to those. It was clear the Board had built firm foundations and showed strong potential to continue improving. He thanked colleagues for their work over the years.

The Shadow Cabinet Member for Families, Health & Social Care thanked colleagues for the detailed report and the Cabinet Member for Families, Health & Social for inviting her to join the Board. She looked forward to working with the partnership to achieve better outcomes for vulnerable residents. During the past year in the midst of Covid, it was clear that the department had served residents. The report identified monitoring and performance management and prevention, which was key to the service. Many numbers in the report were positive, in comparison to the previous years. One concern raised from the paper was that many incidents for vulnerable adults were caused by someone they personally knew, which should be further investigated by the Board. She added her interest in learning more about Operation Nogi, which involved Response officers in South Area BCU carrying out visits to vulnerable elderly people following referrals from Adult Social Care and Trading standards, and how the partnership would hear more of the resident voice. Since the Adult Social Services Review Panel had been disbanded, she hoped the work which was previously overseen by that forum would be included in the Board's programme.

Annie Callanan, Independent Croydon Safeguarding Adult Board (CSAB) Chair, replied that when failures occurred in adult social care services outcomes could be shocking. It was only the Care Act 2014 that set out a clear legal framework for how local authorities and other parts of the system should protect adults at risk of abuse or neglect, and thus the Board was created and her role as Chair of the Board.

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

RESOLVED: To note the Annual Report of the Croydon Safeguarding Adult Board and to receive the recommendations arising from the Scrutiny & Overview Committee held on the 10th November 2020.

101/20

Stage 1: Recommendations arising from Scrutiny

The Chair of Scrutiny & Overview Committee advised Cabinet that the three sub-committees had set recommendations for the children's and adult's safeguarding partnerships, as discussed in the meeting from the CSCP and CBAB, and the Croydon Renewal Plan.

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

RESOLVED: To receive the recommendations arising from meetings of the Children & Young People Sub-Committee held on 3 November 2020, Health & Social Care Sub-Committee held on 10 November 2020 and Scrutiny & Overview Committee held on 17 November 2020, and to provide a substantive response within two months (i.e. at the next available Cabinet meeting on 22 February 2021).

102/20

Stage 2 Response to Recommendations arising from Children & Young People Sub-Committee on 15 September 2020

The Chair of Scrutiny & Overview Committee advised Cabinet that in regard to the second recommendation from Children & Young People Scrutiny Sub-Committee, all Members now had access to the Local Government Inform. This allowed councillors to access and analyse comparative local authority performance data.

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 this report at Appendix A and that these be reported to the Scrutiny and Overview Committee or relevant Sub-Committees.

103/20

Investing in our Borough

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

RESOLVED: To note

1. The update on emergency orders approved under Regulation 19.3 of the Council's Tenders and Contracts Regulations at a value between £500,000 and £5,000,000 by the nominated Cabinet Member for Finance and Resources (at the time of the decision), in consultation with the Leader, as set out in section 4.1.1 of the report.
2. The list of delegated award decisions made by the Director of Commissioning and Procurement, between 20/10/2020 – 24/11/2020, as set out in section 4.1.2 of the report.

104/20

Exclusion of the Press and Public

This item was not required.

The meeting ended at 9.30 pm