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Council

Meeting held on Wednesday, 16 December 2020 at 8.00 pm. This meeting was held remotely.

MINUTES

Present: Councillor Maddie Henson (Chair);
Councillor Sherwan Chowdhury (Vice-Chair);
Councillors Hamida Ali, Muhammad Ali, Jamie Audsley, Jane Avis, Jeet Bains, Leila Ben-Hassel, Sue Bennett, Margaret Bird, Simon Brew, Alison Butler, Jan Buttinger, Janet Campbell, Robert Canning, Richard Chatterjee, Luke Clancy, Chris Clark, Pat Clouder, Stuart Collins, Mary Croos, Jason Cummings, Patsy Cummings, Mario Creatura, Nina Degrad, Jerry Fitzpatrick, Sean Fitzsimons, Alisa Flemming, Felicity Flynn, Clive Fraser, Lynne Hale, Simon Hall, Patricia Hay-Justice, Simon Hoar, Yvette Hopley, Karen Jewitt, Humayun Kabir, Shafi Khan, Stuart King, Toni Letts, Oliver Lewis, Stephen Mann, Stuart Millson, Vidhi Mohan, Michael Neal, Tony Newman, Steve O'Connell, Oni Oviri, Ian Parker, Andrew Pelling, Jason Perry, Helen Pollard, Tim Pollard, Joy Prince, Badsha Quadir, Helen Redfern, Scott Roche, Pat Ryan, Paul Scott, Manju Shahul-Hameed, Andy Stranack, Gareth Streeter, Robert Ward, David Wood, Louisa Woodley and Callton Young

Apologies: Councillor Maria Gatland, Steve Hollands and Bernadette Khan

PART A

154/20 **Disclosure of Interests**

There were none.

155/20 **Urgent Business (if any)**

There were no items of urgent business.

156/20 **Matter for Consideration by Council**

Madam Mayor explained that in accordance with paragraphs 5(4a) of the Council's Constitution, she received a Cross-Party requisition signed by 44 Members of the Council and it had been agreed that an Extraordinary Meeting of the Council should be held.

The requisition stated:

“This Council recognises the significant financial pressures Croydon Council is operating under.

Its commitment to live within its means is at the core of the Croydon Renewal Plan, which outlines significant savings over future years as the Council returns to financial stability.

Included in the Croydon Renewal Plan is a commitment to “Scale back members special responsibility allowances” and make savings of £103,000 in 2021/22.

However, the Council consider as the overall financial envelope of the Council is reduced, that it is appropriate that further savings are made in terms of Special Responsibility Allowances, Councillors (SRAs).

It, therefore, resolves to amend the scheme of allowances to make approximately £300,000 savings on Councillors’ allowances in the financial year starting on 1 April 2021.

The 2021/22 scheme changes will include:

- Permanent deletion of 2nd Non Statutory Deputy Leader post;
- Reduction of Cabinet from 10 to 9 (including Leader and Statutory Deputy leader);
- Deletion of separate role of Chair of the Health and Wellbeing Board – with function absorbed into Cabinet member role;
- Reduction of Deputy Cabinet Member roles to four Deputies;
- As part of the Governance Review in setting up of Cabinet Member Advisory Committee’s (CMAC’s), introducing new CMAC Chairs at new limited SRA rate of £5,000;
- Reducing the SRA for the Chair of Scrutiny by £10,000;
- Applying a 20 % reduction on all SRA’s that are not new or already reduced;
- Mirroring changes to SRAs in the Shadow Cabinet to that in the Cabinet;
- Deferral of any inflation increase for 2021/22 on the core basic Councillor Allowance, in addition to SRAs.”

Madam Mayor invited Councillor Leila Ben-Hassel to move the motion.

Councillor Leila Ben-Hassel stated the resolution in front of the Council to amend the scheme of Councillor allowances was an important move on a Cross-Party basis. This demonstrated collective working regarding Members commitment to address the council’s challenges to show solidarity to staff, particular those who had been affected by the poor decisions made at senior and political officer leadership level.

Staff had worked tirelessly throughout the pandemic despite insecurities regarding their own livelihoods. Any restructure of services going forward would affect staff by creating uncertainty. Nonetheless, they were expected to continue delivering services to the best of their ability with reduced resources and increased demands. As Members became aware of the true extent of the financial crisis, it was felt that drastic measures were required. Members listened to feedback from auditors and the LGA that the Council should be more evidence-based in their decision-making. Therefore, a decision was made to review the scheme of allowances by undertaking benchmarking across London borough averages and looked how the council was required to operate as Majority and Minority Groups. This led to the savings proposals of around £315,000 per annum being achieved, which it was hoped would contribute further to protect staffing levels.

The proposed looked to permanently delete the second Deputy Leader post, a legacy from the previous Administration, reduce the size of Cabinet, and remove the separate role for the Chair of the Health and Wellbeing Board. Like other authorities, this would then become the fundamental function of the relevant Cabinet Member, reduce the number of Deputies, reduce the SRAs for the Chairs of Scrutiny to align with the London average and mirror those changes to SRAs in the Shadow Cabinet.

Members would recall that joint cross-party work on the Labour Manifesto pledge to review governance arrangements had led to a decision being made to introduce Cabinet Member Advisory Committees (CMAC). Those bodies would commence in the New Year and would create an opportunity for a wider range of voices from back benchers to influence, shape policy and hold leadership to account. The review of the scheme allowed for a small SRA amount to be made for CMAC Chairs. This was important, as it ensured that anyone would be able to stand for election regardless of their social economic background, or risked going backwards to only male and peer representatives.

Under Councillor Ali's leadership one of the most diverse leadership teams existed. Diversity needed to be nurtured, hence the need to reduce basic allowance by a minimum. Whilst the savings made were not enough to mitigate the anger and feeling of betrayal from residents and staff, under Councillors Ali and King's new leadership and culture, this provided an opportunity to change how Cabinet were selected and enhance accountability.

Although she was happy an agreement on both sides of the Chamber had been reached in bring this resolution on a cross-party basis, she remained unimpressed with some of the debates heard regarding cuts that had to be made. Therefore, she urged Opposition councillors to reflect on their own government policies on social care, universal credit and Brexit. Staff and residents deserved the best by working constructively together on Croydon's Renewal Plan. She therefore moved the resolution.

Madam Mayor invited Councillor Jason Cummings to second the motion.

Councillor Jason Cummings stated that it was unusual in Council meetings to be able to speak on a joint motion but this was welcomed. Croydon Council's financial position was dire and the consequences effected everyone in the borough. Staff members had lost their jobs with residents having desperately-needed services removed. As a result, it was vital that Councillors' salaries were reduced as well. The reduction in the SRA contained in the proposal was considered to be well targeted and fair.

When Members called for an Extraordinary Council Meeting regarding Councillor allowances, there were a number of changes that the Opposition wished to see. The changes related to the increases brought forward and voted through against the Opposition's wishes in 2018. These measures today addressed all Members concerns as they specifically reversed the large rise made to Cabinet Member allowances, as well as removing the SRA for the Chair of the Health and Wellbeing Board. The measures also achieved a cross-party aim of cutting back the huge rise awarded to the Chair of Scrutiny which he welcomed as a responsible move.

As a result of the reduced future size of council services by reducing the Cabinet via positions also made sense. Members looked forward to early sight of how the reduced Cabinet would allocate their responsibilities. Therefore, he was happy to second the motion. However, he felt the changes would be made too late for staff had already lost their jobs in the council and residents being impacted with cuts to their services by the removal of the ward budgets. Consequently, the Conservative Group agreed that the 20% reduction in SRA detailed in this motion should be applied from 1 January 2021. Members endeavoured to confirm this in writing to the council after the vote at the end of the meeting.

Against the Council's huge budget gap, this may be regarded as a disappointment to some people. However, if this motion resulted in just one member of staff's job being retained, or an additional care package being awarded, then the motion would be worthwhile. He urged all Members of the Labour Group who were in receipt of SRAs to join the Opposition by imposing changes as soon as possible and once again, supported the motion.

Madam Mayor invited Councillor Stephen Mann to speak on the motion. Councillor Stephen Mann stated he was pleased to be able to speak on the motion before Council tonight as it was an important step forward for Croydon to be taking in supporting staff and residents. He was pleased that the Labour Group, under Councillor Ali's leadership, had taken the lead in addressing the anomalies at the upper scale of the Councillor allowances that had been set.

On reviewing the measures and benchmarking undertaken across London it appeared incorrect that a role without Cabinet responsibilities earned the same as a Cabinet Member. Also what did a non-statutory Deputy Leader do differently from a Deputy? Croydon appeared to be one of a small handful of boroughs which had a full slate of Deputies. It might seem incorrect that Shadow Cabinet Members and their Deputy Leader received an SRA but this helped to strengthen Oppositions and Administrations from a range of

diversities. There should be a wide range of diverse councillors both from low and high incomes with array of experience. It was important that back benchers allowance's remained insulated to ensure all communities could be represented to prevent Croydon being dominated by only certain types of politicians.

The measures proposed were considered to be fair and appropriate, especially considering the difficulty faced by residents throughout the borough. Therefore, it was important that all Members voted for the motion proposed. He was pleased that an agreement had been reached at meetings for all parties could come together to provide support in Croydon that was needed.

Madam Mayor invited Councillor Ian Parker to speak on the motion

Councillor Ian Parker stated that approximately 70 councillors existed within Croydon that had a duty of care to our residents and electors regardless of which party they supported. Members also had a duty to listen to the need of residents where practicable and respond positively or be honest to the reasons why they could not. He believed that residents expected all Members to vote on the motion.

Labour councillors in Croydon had inflicted reputational damage due to irresponsible financial management/mis-management and caused reputational damage that was difficult to reverse. Therefore, the Administration could change at the next election as residents would decide which parties are suited to deliver local services. He was proud to belong to a party group in Croydon that restored faith in local politics and politicians and expressed his support for the cross-party motion.

As a Conservative Councillor, he had led the way in seeing reductions being made to SRAs which were important. Council employees had suffered as a result of being made redundant this Christmas. The motion was one small gesture that showed Members understood their problems and he urged all Members to support the motion.

Madam Mayor invited Councillor Clive Fraser to speak on the motion

Councillor Clive Fraser stated that the measures before Council tonight were modest compared to the overall savings the council had to make over the next three years, which would be a significant debate for years to come. Therefore, it was important for the council to live within its means.

Savings in Councillor allowances were significant in terms of how Members should lead to balance the books. The Labour Group had addressed the need to reduce Councillor allowances over a number of meetings since September 2020 linked to the government's Review. It was important to note that Members had gone further with what was in the Renewal Plan beyond the £103k cuts suggested to over £300k. He thanked Labour colleagues for the balanced way this had been achieved in terms of an overall reduction of

the SRA in line with the reduction in the council's overall budget. The reduction in the number of SRAs, whilst still introducing the new role of Chairs on the full Cabinet Advisory Committees was welcomed. He also respected the way Members of the Opposition had brought into the savings strategy at short notice.

Going forward, political challenges remained in terms of the need to reduce the Cabinet portfolio and the political direction the council had given Members to resolve that. The combination of the role of Chair of the Health and Wellbeing Board into a Cabinet portfolio particularly when Croydon had led the way in local authority, NHS and community partnership working on health matters demonstrated in the Croydon Allowance remained a challenge going forward. Also, a challenge existed to find the right level of remuneration to make public service as elected members. However, it was important that Members made sure savings were achieved and support savings required to enable the council to live within its means. He, therefore, supported the motion set out by the Council.

Madam Mayor invited Councillor Lynne Hale to speak on the motion

Councillor Lynne Hale stated that Croydon Council had always been blessed with good staff, many of whom lived locally and were committed to serving their town. Since March, the Council had witnessed the amazing way officers had risen to the challenge of working in a different way to ensure residents were supported throughout the pandemic. Many staff had taken on new and additional duties and many worked extended hours to ensure residents were given the extra help they needed.

Whilst it had been known that the Council had financial difficulties and concerns by Opposition councillors had been raised over the past two years, it was not until this Autumn that Members had been made aware of the dire financial circumstances. Staff had been shocked, upset and angry at the prospect of losing their jobs. Many now faced Christmas not knowing how long they would remain employed.

It felt unfair that a handful of people and a compliant Cabinet had resulted in the Council having to approach the government for £150m in order to retain loyal and hardworking staff from losing their jobs. Therefore, she hoped that those responsible would be held accountable for their actions. However, she was pleased that the motion proposed to cut allowances would drive the Labour Group to bring forward reductions as soon as possible. She now hoped that the Labour Group would join the Opposition to ensure that the reduction in Mayors SRAs was effective from 1 January 2021. Therefore, she wholly supported the cross-party motion and despite the current circumstances, she wished everyone in Croydon a peaceful and healthy Christmas and New Year.

Ahead of the vote on the recommendations contained within the report, Madam Mayor advised Council that there were 40 Labour Members and 22 Conservative Members in attendance.

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The recommendations, as set out in the report were put to the vote individually. All recommendations were agreed unanimously.

157/20 **Exclusion of the Press and Public**

This item was not required.

The meeting ended at 9.00 pm

Signed:

Date:

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