



# Finance and Treasury

## Cabinet Member Bulletin

### Councillor Simon Hall

#### November 2016

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## Tram Tragedy

The tram incident on 9 November was an awful tragedy. Five of the seven people who lost their lives were from Fieldway-New Addington, as were many of those injured. My thoughts are with the families of the bereaved and those injured and their families at this time. The response of the community in Fieldway-New Addington was absolutely fantastic. I wanted to pay tribute to the community and all those who mobilised. I wanted to pay particular tribute to the Emergency Services who did such extraordinary work. I know from when I and the other three councillors for Fieldway-New Addington visited the Ambulance and Fire Services to thank them the incredible work they did and the impact it has had on them. I want also to pay tribute to the work done by so many in the Council, led by Jo Negrini.

## Autumn Statement

The Chancellor made his Autumn Statement to Parliament on 23 November.

The Statement has not had a significant direct impact on the Council's finances. In particular, it does seem that the overall four year settlement is untouched. This is disappointing as the Local Government Association, London Councils and Croydon Council had made strong representations to Government on a number of areas.

It is welcome that Government has now abandoned its 'Pay to Stay' tenant tax. The devolution of some powers to the Mayor of London and GLA is very positive. In particular, the additional funding to build new affordable housing in London is welcome.

However, the Government has failed to:

- tackle the shortfall in funding of the NHS
- do anything to tackle the crisis in social care funding
- clarify how laws such as the Housing & Planning Act and Immigration Act will work
- do anything to address the impact of welfare benefit reform notably the impact of universal credit, benefit cap and ESA
- do anything to recognise the mismatch between Local Housing Allowance and actual rents in Croydon.

## Quarter 2 Financial Performance

In December, I will present the Quarter 2 Financial Performance. This will show that the pressures in the People Department remain huge. This is a reflection of the demographic pressures we are facing and despite a lot of excellent and innovative work by officers. It also reflects that some of the changes we are making take considerable time before they have an impact on the bottom line. This also emphasizes why the cuts in funding from Central Government are so unfair. The drive for prevention, empowerment and new operating models goes on. We have already seen some very positive impacts of our initiatives.

We continue to focus on the planks of our Efficiency Strategy, viz

- Getting the most out of our assets
- Better commissioning and contract management
- Managing Demand
- Prevention and early intervention
- Integration of health and social care
- Delivering growth
- Commercial approach
- Digital

However, the net position is set to remain substantially unchanged from Quarter 1. This reflects the excellent work being done across the Council and the fruits of the initiatives we are taking as an Administration, such as our asset strategy and investments we have made.

## Asset Strategy

Considerable progress has been made on making the most of our assets. This has included:

- Bringing tenants into Bernard Weatherill House and more will be coming
- Transferring staff from Janette Wallace House to Bernard Weatherill House, enabling the disposal of Janette Wallace House, which will generate a capital receipt as well as giving rise to savings in facilities management
- Agreeing the disposal of sites to Brick by Brick, which will provide some 1,000 new homes, as well as enabling future capital receipts, interest income, etc.
- Using the Revolving Investment Fund to generate interest income and help ensure that key projects are able to proceed.
- Reviewing all assets to make sure optimal use

## Commissioning and Contract Management

A corporate contract review will be starting in December, the focus of this will be to test the Council's contract management framework and proposed developments for driving a more commercial approach to contract management by reviewing contract performance and cost for all tier 1 contracts (contracts with a value of over £1m per annum).

The ongoing work on commissioning and contract management is enabling the Council to save money, whilst at the same time, improving service, delivering the London Living Wage on new contracts and delivering real social value.

## IT Modernisation

The Council is just completing the roll-out of new IT equipment for all staff. The Council has moved from outdated equipment to Windows 10 equipment, which will enable staff to work in totally different ways, including mobile and remote working and be a lot more productive. The benefits are already being seen across the Council.

# Local Government Boundary Review

The boundary review is now at the stage of warding proposals. The Council delegated to the General Purposes & Audit Committee to decide the Council's warding proposals.

Below is the proposal going to the Committee on 29 November.

This proposal meets the Boundary Commission's criteria of (i) achieving electoral equality based on being within 10% of quota based on 2022 forecast electorate; (ii) reflecting the interests and identities of local communities; (iii) providing for effective and convenient local government. The proposal is a mixture of two and three seat wards and uses a combination of strong geographical and community boundaries to define the areas of Croydon and wards within those areas.

Proposed New Wards and Electoral Districts

