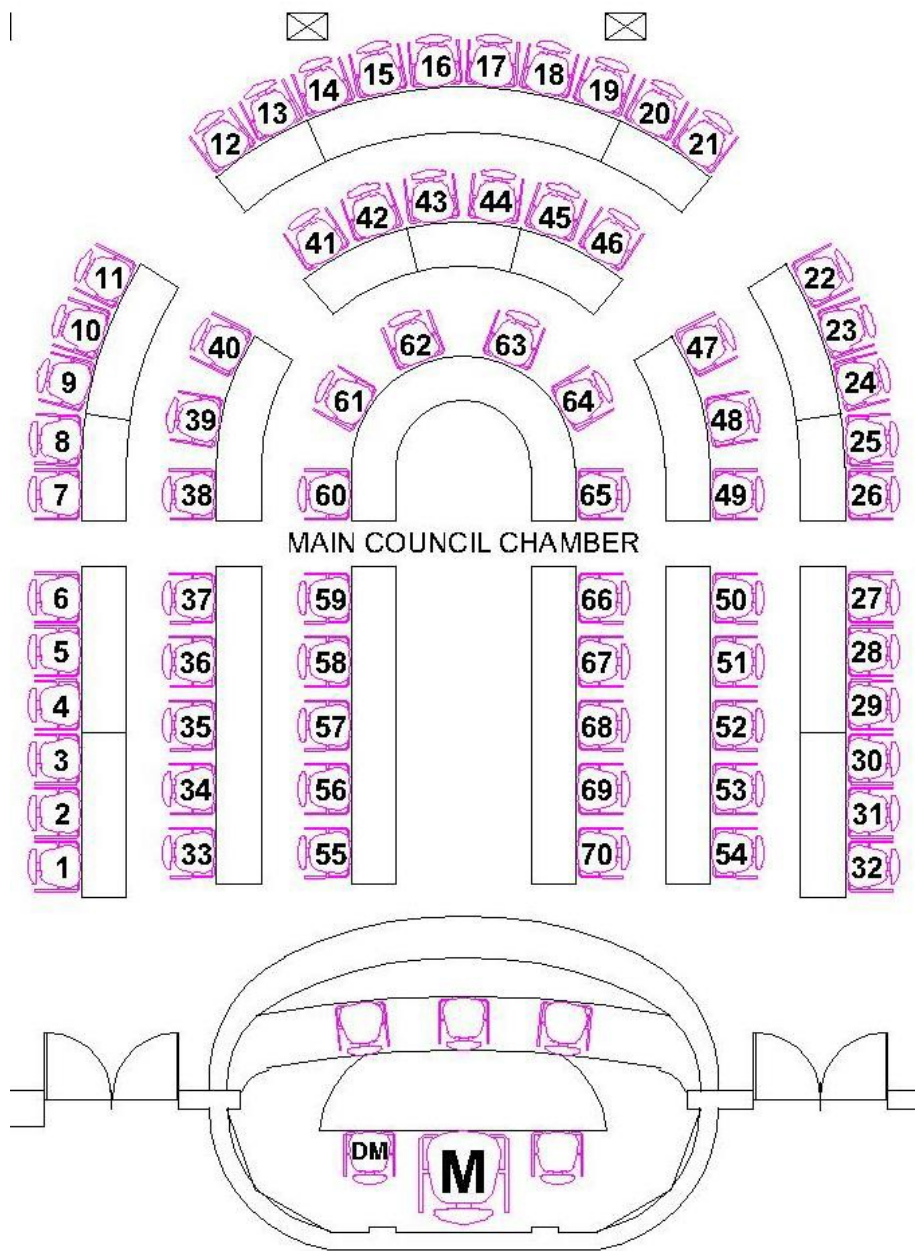




**BUDGET COUNCIL
AGENDA**

for the meeting
on
2 March 2020 at
6.30 pm

1. Callton Young
2. Joy Prince
3. Stephen Mann
4. Toni Letts
5. Andrew Pelling
6. Pat Clouder
7. Pat Ryan
8. Caragh Skipper
9. Mary Croos
10. Robert Canning
11. Leila Ben-Hassel
12. Bernadette Khan
13. Sherwin Chowdhury
14. Jerry Fitzpatrick
15.
16.
17. Oni Oviri
18. Steve Hollands
19. Ian Parker
20. Michael Neal
21. Luke Clancy
22. Jan Buttinger
23. Sue Bennett
24. Jeet Bains
25. Stuart Millson
26. Andy Stranack
27. Helen Redfern
28. Simon Brew
29. Gareth Streeter
30. Margaret Bird
31. Scott Roche
32. Richard Chatterjee
33. Shafi Khan
34. David Wood
35. Nina Degrad
36. Patricia Hay-Justice
37. Louisa Woodley
38. Clive Fraser
39. Patsy Cummings
40. Sean Fitzsimons
41. Felicity Flynn
42. Janet Campbell
43. Karen Jewitt
44. Chris Clark
45. Jamie Audsley
46. Mohammed Ali
47. Badsha Quadir
48. Robert Ward
49. Steve O'Connell
50. Helen Pollard
51. Yvette Hopley
52. Mario Creatura
53. Vidhi Mohan
54. Simon Hoar
55. Alisa Flemming



56. Hamida Ali
57. Stuart Collins
58. Alison Butler
59. Tony Newman
60. Simon Hall
61. Oliver Lewis
62. Jane Avis
63. Manju Shahul-Hameed
64. Paul Scott
65. Stuart King
66. Tim Pollard
67. Jason Cummings
68. Lynne Hale
69. Maria Gatland
70. Jason Perry
Notes etc.
M – Mayor Councillor Humayun Kabir
DM – Deputy Mayor – Councillor Maddie Henson
Please note that the numbers relate to microphone numbers.
December 2019

To: To All Members of the Council

Date: 21 February 2020

A meeting of the **COUNCIL** which you are hereby summoned to attend, will be held on **Monday, 2 March 2020 at 6.30 pm in Town Hall**

JACQUELINE HARRIS BAKER
Council Solicitor and Monitoring Officer
London Borough of Croydon
Bernard Weatherill House
8 Mint Walk, Croydon CR0 1EA

Annette Wiles 020 872 6000 x64877
annette.wiles@croydon.gov.uk
www.croydon.gov.uk/meetings
21 February 2020

Members of the public are welcome to attend this meeting, or you can view the webcast both live and after the meeting has completed at <http://webcasting.croydon.gov.uk>

If you would like to record the meeting, we ask that you read the guidance on the recording of public meetings [here](#) before attending.

The agenda papers for all Council meetings are available on the Council website www.croydon.gov.uk/meetings

If you require any assistance, please contact officer as detailed above.

AGENDA – PART A

1. Apologies for Absence

To receive any apologies for absence from any Members.

2. Minutes of the Previous Meeting (Pages 7 - 34)

To approve the minutes of the meeting held on 27 January 2020 as an accurate record.

3. Disclosure of Interests

In accordance with the Council's Code of Conduct and the statutory provisions of the Localism Act, Members and co-opted Members of the Council are reminded that it is a requirement to register disclosable pecuniary interests (DPIs) and gifts and hospitality to the value of which exceeds £50 or multiple gifts and/or instances of hospitality with a cumulative value of £50 or more when received from a single donor within a rolling twelve month period. In addition, Members and co-opted Members are reminded that unless their disclosable pecuniary interest is registered on the register of interests or is the subject of a pending notification to the Monitoring Officer, they are required to disclose those disclosable pecuniary interests at the meeting. This should be done by completing the Disclosure of Interest form and handing it to the Democratic Services representative at the start of the meeting. The Chair will then invite Members to make their disclosure orally at the commencement of Agenda item 3. Completed disclosure forms will be provided to the Monitoring Officer for inclusion on the Register of Members' Interests.

4. Urgent Business (if any)

To receive notice of any business not on the agenda which in the opinion of the Chair, by reason of special circumstances, be considered as a matter of urgency.

5. Announcements

To receive the Announcements, if any, from the Mayor, the Leader, Head of Paid Service and Returning Officer.

6. Council Tax and Budget (Pages 35 - 396)

a) Questions to the Leader

To last for a total of 15 minutes, the first three minutes available

for announcements from the Leader.

b) Questions to the Cabinet Member for Finance & Resources

To last for a total of 15 minutes, the first three minutes available for announcements from the Cabinet Member.

c) Scrutiny Business Report

To last for a total of 10 minutes, the first two minutes available for announcements from the Chair of Scrutiny and Overview Committee.

d) Council Tax Debate

The mover of the budget recommendations shall have 10 minutes to speak, followed by the Leader of the Opposition who shall have 10 minutes to speak. There shall then be five further Members from each group called to speak for no more than three minutes each. The debate shall conclude with a right of reply from the Leader of the Council or other Cabinet Member for not more than five minutes.

At the conclusion of the debate the following recommendations will be taken through a recorded vote:

- i. A 1.99% increase in the Council Tax for Croydon Services (a level of increase Central Government has assumed in all Councils' spending power calculation).
- ii. A 2.00% increase in the Adult Social Care precept (a charge Central Government has assumed all councils' will levy in its spending power calculations).
- iii. The GLA increase of 3.6%.

With reference to the principles for 2020/21 determined by the Secretary of State under Section 52ZC (1) of the Local Government Finance Act 1992 (as amended) confirm that in accordance with s.52ZB (1) the Council Tax and GLA precept referred to above are **not excessive** in terms of the most recently issued principles and as such to note that no referendum is required. This is detailed further in section 3.5 of the covering report (at Appendix 6.1).

7. Recommendations of Cabinet referred to Council for decision
(Pages 397 - 470)

To consider the recommendations made by Cabinet since the last ordinary Council Meeting:

- 1.1. Treasury Management Strategy Statement, Capital Strategy,

Minimum Revenue Provision Policy Statement and Annual
Investment Strategy 2020/2021

1.2. Quarter 3 Financial Performance 2019/20

8. Governance Review Panel (Pages 471 - 544)

For Members to receive the Panel's final report, consider its recommendations and proposals for their implementation.

9. Exclusion of the Press and Public

The following motion is to be moved and seconded where it is proposed to exclude the press and public from the remainder of a meeting:

"That, under Section 100A(4) of the Local Government Act, 1972, the press and public be excluded from the meeting for the following items of business on the grounds that it involves the likely disclosure of exempt information falling within those paragraphs indicated in Part 1 of Schedule 12A of the Local Government Act 1972, as amended."

PART B

Council

Meeting held on Monday, 27 January 2020 at 6.30 pm in Council Chamber, Town Hall,
Katharine Street, Croydon CR0 1NX

MINUTES

- Present:** Councillor Humayun Kabir (Chair);
Councillor Maddie Henson (Vice-Chair);
Councillors Hamida Ali, Muhammad Ali, Jamie Audsley, Jeet Bains, Leila Ben-Hassel, Sue Bennett, Margaret Bird, Simon Brew, Alison Butler, Jan Buttinger, Janet Campbell, Robert Canning, Richard Chatterjee, Sherwan Chowdhury, Luke Clancy, Chris Clark, Pat Clouder, Stuart Collins, Mary Croos, Jason Cummings, Mario Creatura, Nina Degrads, Jerry Fitzpatrick, Sean Fitzsimons, Alisa Flemming, Felicity Flynn, Clive Fraser, Maria Gatland, Lynne Hale, Simon Hall, Patricia Hay-Justice, Simon Hoar, Steve Hollands, Yvette Hopley, Karen Jewitt, Bernadette Khan, Shafi Khan, Stuart King, Toni Letts, Stephen Mann, Stuart Millson, 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, Robert Ward, David Wood, Louisa Woodley and Callton Young
- Apologies:** Councillor Jane Avis, Patsy Cummings, Oliver Lewis, Vidhi Mohan and Gareth Streeter

PART A

71/20 **Minutes of the Previous Meeting**

The minutes of the meeting held on 16 December 2019 were agreed as an accurate record.

72/20 **Disclosure of Interests**

There were no disclosures of interests.

73/20 **Urgent Business (if any)**

There were no items of urgent business.

74/20 **Announcements**

The Mayor

The Mayor, Councillor Kabir, provided Council with his announcements. Firstly, the Mayor informed Council that the Borough's entry into the London New Year's Day parade had finished in the top 10 and had received £5K in prize money that would go towards the Mayor's charity fund. The Mayor's future fundraisers were also detailed. These were a Caribbean Ball being held on 7 February 2020, a fish and chips lunch at McDermott's restaurant, Addington, on 12 February 2020 and the *Our Croydon* concert being held at the Fairfield Halls in March 2020 for which tickets could be booked through the venue's website. Lastly, the Mayor encouraged entries into the Mayor's Awards for Community Enterprise. It was explained that there were 10 categories for nominations and that the public would play a role in the judging process. The winners were to be announced at the Mayor's final Gala Dinner on 22 April 2020 at the Grand Sapphire Hotel.

The Leader

The Mayor invited the Leader, Councillor Newman, to make his announcements. The Leader informed Council that his thoughts and those of everyone across the Council were with the family and friends of the 16 year old who had lost his life following a stabbing at East Croydon Station earlier in the day.

75/20 **Croydon Question Time**

Public Questions

The Mayor explained that Croydon Question Time would commence with thirty minutes of public questions to the Leader and Cabinet members with preference being given to those with questions who were in attendance at the meeting.

Croydon resident, **Ms Patricia Blyghton** asked Councillor Campbell, Deputy Cabinet Member for Families, Health and Social Care about the reduction in Council funding to *Croydon Accessible Transport* (CAT) which was to come into effect from April 2020. Specifically, the Cabinet Member was asked to explain how elderly residents would access their social clubs once the reduction in funding had been applied.

Councillor Campbell thanked Ms Blyghton for her question. It was explained that discussions were taking place with CAT and that the organisation had been invited to participate in a competitive tendering process. Whilst CAT had acknowledged the need to restructure to become financially sustainable it hadn't been successful in the tendering process. However, regardless of funding or tendering, the Council had offered CAT three mini buses to support its work. CAT was reviewing the offer with a response anticipated.

In her supplementary question, Ms Blyghton asked to be informed how many charities in the Borough had been affected by a similar reduction and/or loss in funding from the Council? Councillor Campbell was not able to provide a detailed response and committed to respond outside of the meeting.

Croydon resident, **Mr Todd Smith** noted that the Council had committed to the installation of 400 electric car charging points across the Borough by 2022. He asked Councillor King, the Cabinet Member for Environment, Transport & Regeneration (Job Share) if the Council was on schedule to deliver this commitment.

Councillor King thanked Mr Smith for his question and noted that if the Council was going to be successful in encouraging the switch to electric vehicles, it had to ensure the charging infrastructure was in place to make this feasible. Councillor King explained that by the end of 2020, 200 charging points would be installed with the locations for the remaining 200 being identified. It was also reported that the first 18 of 60 charging points had been introduced powered by street lighting columns.

In his supplementary question, Mr Smith highlighted how research had demonstrated that fully automated on-demand driverless cars cost four times less and freed-up parking space that could be used for food production. Mr Smith asked to know if the Council was exploring on-demand driverless vehicle projects. Councillor King agreed that there were real benefits to be gained from driverless vehicles and confirmed the Council was a participant in a pilot with the aim to be the beneficiaries of technological advances.

Croydon resident, **Mr Daniel Lukes** asked Councillor Collins, Cabinet Member for Clean, Green Croydon about plastic waste management and why the incineration of plastic was classified as recycling and reuse.

Cabinet Member Collins thanked Mr Lukes for his question and explained that this was not accurate; incineration was not classed as recycling. It was highlighted that recycling in Croydon was up to 47%, placing the Borough in top six in London. The only time that plastics would be incinerated was if they were included in residual waste collections. However, this was not classed as recycling despite ash from incineration being used to manufacture breeze blocks in addition to energy being reclaimed from the incineration process. The Cabinet Member stressed that all plastic items collected through the recycling process in Croydon were taken to a specialist recycling centre. Mr Luke was asked to clarify the source of the claim.

In his supplementary question, Mr Lukes clarified that the information about the incineration of plastics being described as recycling was taken from Veolia's website. Councillor Collins highlighted that the commitment to incineration had been agreed by the last Administration and that he was not particularly supportive of this approach to waste management. However, incineration of some residual waste was still better than putting it all into the ground. The Cabinet Member highlighted the *Environment Agency's* guidelines on emissions and that these had never been exceeded by the

Beddington incinerator. In fact, the Mayor of London's New Year firework display gave off more particles than the incinerator all year round. Councillor Collins expressed his preference for no particles and noted that as technology improved it was hoped this would be achieved. The incineration of some waste was described as the lesser of two evils.

Croydon resident, **Mr George Hibbard** asked Councillor King about the carbon footprint of local businesses and what the Council was doing to make them accountable and to encourage them to make reductions.

Councillor King thanked Mr Hibbard for his question and stressed the Council's own commitment to reducing its own carbon footprint and emissions. The Cabinet Member explained that realising this commitment included working with local businesses and encouraging them to change. It was described how the Council was signposting information and funding for businesses to assist them to take action. This was in addition to both a Citizens' Assembly and Climate Commission being established which would consult with residents and experts as a way of equipping the Council to deal with the challenges of environmental change.

Mr Daniel Lukes asked a question on behalf of Croydon resident **Ms Clare Buchanan** regarding the 11 large glass houses in Conduit Lane. These were described as a potential excellent resource for the community and Ms Buchanan sought to understand if there were any plans to bring them into community use.

Councillor King thanked Ms Buchanan for her question and explained that the Council was undertaking an overall review of its depot estate as part of its overall asset management and planning; once this had been completed the Council would look at the potential offered by the estate and how best it could be utilised. However, the Cabinet Member also noted that the Council was already taking action. The *Green Fund* provided £250K of funding for environment initiatives. This was being used to support initiatives such as *Good Food Matters* in New Addington, with community food growers providing access to healthy food.

Again on behalf of Ms Buchanan, Mr Lukes used the opportunity of a supplementary question to ask about the Council's plans to promote food resilience. Councillor King expressed his understanding of concerns regarding potential food shortages. However, it was explained that given the scale of the issue, should food shortages occur, this would be a matter for the Government nationally to address. It was again stressed that Croydon was undertaking a Citizens' Assembly and Climate Commission to consider in-depth solutions to climate change but that it would be down to the Government to coordinate action to address food shortages on a national scale.

Croydon resident, Mr James Hogg, asked the Leader, Councillor Tony Newman, why there was no permanent display commemorating the battle of

Arnhem in 1944 following the completion of the refurbishment of the Fairfield Halls.

The Leader thanked Mr Hogg for his question and took the opportunity to highlight the Council's commemorations for Holocaust Memorial Day that had occurred earlier on the same day as Council. Councillor Newman noted the need to be ever vigilant. This had been demonstrated by the painting of Nazi symbols in a neighbouring Borough. However, it was explained that Councillor Lewis, the Cabinet Member for Culture, Leisure and Sport was not able to attend the meeting (it was noted he was on his honeymoon). On behalf of Councillor Lewis, the Leader explained that it was not being stated that there would not be a public display. Rather it had not been decided where this public display would be located. The Leader stressed the Borough's very proud link with Arnhem which the Council was keen to reinforce. This was illustrated by the Mayor's annual visit. It was explained that an announcement about a permanent display would be made.

In his supplementary question, Mr Hogg stated that it was a matter of public record that emails had been sent and *Twitter* used to request information regarding the display of the Arnhem artefacts. The Leader was asked if he thought it was acceptable not to respond when these were from those who had lost family members in the battle. The Leader stated that he did not think it was appropriate to expect a response through *Twitter* or other social media.

Croydon resident, **Mr John Power** asked Councillor Scott, Cabinet Member for Environment, Transport & Regeneration (Job Share) about windfall housing target numbers. Mr Power noted that the planning inspectors had judged the Mayor of London's housing targets to be unrealistic which had resulted in the Mayor reducing these including how they applied to Croydon. Mr Power therefore wanted to know why the higher housing target figures were still in operation and included in the *Croydon Local Plan*.

Councillor Scott thanked Mr Power for his question and explained that the draft *London Plan* had been sent to the Secretary of State for Housing, Communities and Local Government who had in return asked for a longer period of time to give this his consideration. The Cabinet Member highlighted that it was unlikely that his opinion would be known before the middle of February 2020 but stressed that the Secretary of State had previously indicated that London's housing targets were too low. Consequently, it was unclear what the target housing figures would be for London overall and Croydon as part of this.

Councillor Scott stressed that the recent consultation on Croydon's *Local Plan* utilised target housing figures over a 20 year period calculated using the standard methodology provide by national Government. The Cabinet Member explained that there was a need to look very carefully at how sufficient housing was provided in Croydon and that whilst he understood the concerns behind the question, he also understood the concerns of those who did not have a home.

In his supplementary question, Mr Power stated that the Council should have to take account of the views of all residents in a fair and balanced way. However, he felt that priority was being given to those who did not live in the Borough to the misery of existing residents. The Cabinet Member highlighted that as a responsible authority, the Council had to listen to all residents and not just those who shouted the loudest. Councillor Scott stressed that there was a housing crisis. Government was committed to building a million new homes over the course of the 2019 Parliament. Equally the Administration was committed to deliver the homes that the Borough needed. This included for the 95,000 children in Croydon's schools who would grow-up to need homes and especially those who were living in overcrowded or temporary accommodation.

Having exhausted the questions from those in attendance at the meeting, the Mayor progressed onto public questions submitted by email.

Croydon resident, **Mr Tim Coombe** asked Councillor Scott, about the Council's plans to protect areas of the Borough which had already been affected by flooding and were likely to see further floods as the climate crisis deepened.

Councillor Scott noted that the Council had statutory responsibility for managing the risk of flooding and that this involved working with key stakeholders such as *Thames Water* and the *Environment Agency*. It was described how the Council was following Government guidance on flood management. Areas at risk of flooding were being targeted to make them more resilient and whilst all would rather see no flooding this was impossible to stop. The need to protect the Borough from the risk of flooding was reflected in the *Croydon Local Plan* through a range of policies such as sustainable urban drainage to ensure that new properties did not cause further risk. Additionally, gardens and the green grid were being protected and tree planting was taking place to protect drainage. Emergency planning was also highlighted as a key aspect of flood protection. Opportunities for reforestation were mentioned with all land owners being encouraged to increase their planting. The Councillor closed by saying that everyone needed to be responsible and to work together.

Questions to the Leader

The Mayor invited the Leader, Councillor Newman, to make his announcements.

The Leader reminded Members of Council that at the point of the meeting, the UK was four days away from leaving the EU and that 33K Croydon residents were also EU citizens of which 11K had applied for settled status. Councillor Newman highlighted that detailed advice on Brexit was available through the Council's website and reinforced that all those affected should seek advice sooner rather than later despite transitional arrangements remaining in place until the end of 2020.

The Leader of the Opposition, **Councillor Tim Pollard**, reported that it was now believed the refurbishment of Fairfield Halls had cost £60m, a third more expensive than the original budget. Councillor Tim Pollard asked the Leader to clarify what the actual costs were of the refurbishment if this figure was not correct.

In response, the Leader stated he did not have the figure to hand but that the refurbishment of Fairfield Halls was being examined in detail by the Scrutiny and Overview Committee on Monday 10 February 2020.

In his supplementary question, Councillor Tim Pollard explained that he would welcome an approximate figure, to the nearest million, for the costs of the refurbishment and that Croydon residents needed to know how much had been spent on Fairfield Halls. Councillor Tim Pollard stated that he would continue to ask until the figure was disclosed and that he would be requesting a full independent public inquiry into the refurbishment and its costs.

In response, the Leader noted that Councillor Tim Pollard had not referenced any document in quoting figures about the refurbishment. Councillor Newman described the Borough's cultural sector as very supportive including of Croydon's recent bid for the *London Borough of Culture*. It was also noted that the Fairfield Halls were in the running for another national award, recognising that the refurbishment had been delivered at a very reasonable price.

Councillor Audsley noted that the effect of the climate crisis was likely to be transformational over the next decade and congratulated the Leader for the work that was being done by the Council to address environmental change. Councillor Audsley asked the Leader to detail what would happen next and how residents could get involved.

The Leader explained how the action that was being taken demonstrated the seriousness of the climate emergency. It was described how Croydon was the first to hold a Citizens' Assembly, allowing a process for listening to the people of Croydon. Also, that Croydon was one of the first to announce a Climate Commission and that this would allow a longer piece of work to address climate change in Croydon. The Leader noted the work that had already been mentioned by other Cabinet Members in their response to questions at the meeting. For example, the increase in recycling, the introduction of electric charging points across the Borough and efforts to protect the Borough from the increased risk of flooding.

In his supplementary question, Councillor Audsley asked the Leader about his experience of addressing other emergencies and to detail the strengths that the Borough had to respond to the climate crisis. The Leader described how the power of the people in the Borough was being harnessed through the Citizens' Assembly to work with the Council and inform its work. The Citizens' Assembly and Climate Commission were described as making a powerful contribution with radical change needed which could not be imposed on the people of Croydon. It was important to work with residents to change

behaviours. The Leader noted that the experience of flooding in the Borough demonstrated that the risks of climate change were very real.

Councillor Brew asked the Leader if he agreed that it was a failure of his leadership for the Pension Fund to have invested in a fund that comprised tobacco investments to withdraw a few weeks later at a cost to the Pension Fund of £300K.

In response, the Leader noted that the Pension Fund was in very good health being 93% funded and it had been a very clear policy decision not to invest in tobacco. The Leader noted that if this had happened then it had been corrected immediately.

In his supplementary question, Councillor Brew asked the Leader if he was saying that it did not matter if the Pension Fund had lost £300K. The Leader responded that any loss of funds mattered. However, that investment decisions were made with an element of risk.

With time remaining for questions to the Leader, the Mayor asked if there was any Administration Member with an additional question. Councillor Ryan was called by the Mayor and asked the Leader to join him in supporting businesses in Upper Norwood that were being forced out of business because they couldn't trade any longer due to the effects of austerity and Brexit. The Leader confirmed his willingness to support Councillor Ryan and the businesses in his ward. It was highlighted that Councillor Shahul-Hameed, the Cabinet Member for Economy and Jobs, would be holding a conference for businesses in the Borough at the end of February 2020 focused on Brexit and providing support.

Pool 1

With the end of the time allocated for questions to the Leader, the Mayor signalled that he was moving on to questions to the Cabinet Members in the first pool. Councillors Butler, Hamida Ali and Shahul-Hameed were invited to make their announcements.

Councillor Butler, the Cabinet Member for Housing and Gateway Services, made her announcements. The Cabinet Member informed Council of the successful prosecution of the landlord of a property in Thornton Heath where a 13 year old, Kuzi Matope, had died following a house fire. The judge had agreed entirely with the Council's action. One of the criteria of the Landlords' Licensing Scheme was fire prevention measures but neither of the smoke alarms in the property were working at the time of the fire. The landlord was to be listed on the register of rouge landlords. Councillor Butler reminded Members that the Council had made the decision to install sprinklers in all of its high rise properties following the Grenfell Fire. This meant that a serious fire in one property had resulted in the sprinkler head operating to contain the fire. The Borough Commander for the *London Fire Brigade* has written to the Cabinet Member to inform her that this had prevented the development of a full blown compartment fire where young children were living. This

demonstrated that the action taken by the Council had led to a positive outcome.

Councillor Hamida Ali, the Cabinet Member for Safer Croydon, made her announcements beginning by echoing the comments of the Leader and expressing her shock at the loss of a young life in the Borough earlier on the same day as Council. The Cabinet Member described how the Council remained committed to the reduction of violence in the Borough. Councillor Hamida Ali noted that the Council meeting was being held on *Holocaust Memorial Day* and that an event had been held to demonstrate how the Council was standing together with residents against hatred and discrimination with the involvement of local schools. This had featured Safet Vukalic, as a guest speaker who was a survivor of the Bosnian Genocide, who had shared his own lived experience and had highlighted the failure to learn the lessons of history.

Councillor Shahul-Hameed, the Cabinet Member for Economy and Jobs, made her announcements and highlighted the forthcoming summit entitled *Going Global* on 27 February 2020 which would focus on all that was happening around Brexit. The key themes were to be international opportunities and challenges with the Cabinet Member giving encouragement to all to attend. It was also detailed how the Council had smashed its objective of 100 Apprenticeships in 100 days. The first week of February 2020 was to be *National Apprenticeship Week* during which the Council would be leading celebrations with employers and trainers participating. A walk about had also been held in Coulsdon with the support of the organisation *Save The High Street*; the Council was working to help strengthen the Borough's high streets and to support them to succeed.

Councillor Hale thanked Councillor Butler for her announcements noting that it was good to hear the work that was being done to keep residents safe. The Cabinet Member was then asked about the failure of *Brick By Brick* to register as a social housing provider. Specifically Councillor Hale wanted to know how many homes had their sale affected and when the situation would be rectified.

In response, Councillor Butler explained that it was inaccurate to describe *Brick By Brick* as having failed to have registered as a social housing provider as this was not a requirement. Rather what had become an issue was that only a limited number of mortgages could be offered where the provider was not registered. The Councillor stressed that it was of course the desire that residents would have a choice of mortgage providers and described how other options were being explored, such as renting, whilst registration was being pursued.

In her supplementary question, Councillor Hale described this as a worrying situation and that the Council had to date only provided three one bedroom Council homes. Also, that it was struggling to sell other high end properties and was building on the green belt. The Councillor called for a public inquiry into the operation of *Brick By Brick* and stated that the Secretary of State for Housing, Communities and Local Communities had been asked to investigate

because residents wanted assurances about profits and the delivery of new homes. Councillor Butler asked why the Councillor was focusing on untruths rather than congratulating a company delivering good quality homes to those on the housing waiting list with its profits being used to build more. The Cabinet Member highlighted that *Brick By Brick* continued to be on target and was not struggling in the way being portrayed. The Borough's huge housing need was stressed with 2,000 families in temporary accommodation at the time of the meeting. Additionally, *Brick By Brick* was very mindful of the environment in its approach to development. Consideration was given to existing trees on development sites with any that had to be removed replaced by more than was lost. Grateful residents were thankful for the homes being provided by *Brick By Brick*.

Councillor Fitzpatrick asked Councillor Butler to detail what was missing from the Conservative Party housing manifesto. In response, the Cabinet Member noted several areas that were a cause for concern. Those included proper investment in social housing with funding going directly to Boroughs to build social housing. Councillor Butler commented that there continued to be too strong a focus on home ownership and ongoing issues around *Right To Buy*. It was explained how there was a lack of understanding about the treatment of receipts through the *Right To Buy* scheme; not only did the Council lose the housing stock at a considerably discounted price additionally 70% of the money raised through sales went straight to central Government. Councillor Butler called for the *Local Housing Allowance* to be reformed to reflect the actual costs of renting in Croydon and welcomed the announcement that the freeze that had applied to this for four years was to end. The Cabinet Member also called for the ability of property developers to get out of supplying affordable accommodation by using valuations to be addressed and for more to be done on the issue of homelessness.

In his supplementary question, Councillor Fitzpatrick noted that it had been 12 months since the publication of the social housing green paper and that the public consultation on this had also long since concluded. It was also noted that a *Social Housing Bill* had not been featured in either of the two Queen's Speeches since. Councillor Fitzpatrick emphasised that the Government appeared to be good at promises but not actions. Councillor Butler agreed; that whilst there has been lots of noise following the Grenfell Fire the momentum had been lost. The Cabinet Member called for proper action on a range of issues including *Right To Buy*, funding and private tenants' rights.

Councillor Helen Pollard asked Councillor Butler to explain why more wasn't done to find out how communities use green spaces before decisions were made regarding developments.

In response, the Cabinet Member explained that whilst this was attempted it was not always possible to find out in advance. Rather, on occasions, this information only came forward later. Councillor Butler acknowledged how this had happened in Councillor Helen Pollard's own ward and that as a result *Brick By Brick* had agreed to modify its plans.

In her supplementary, Councillor Helen Pollard highlighted that contacting the local councillor sooner might avoid residents' anguish. It was noted that developments in Hawthorne Crescent and Covington Way, in Councillor Helen Pollard's ward of Selsdon & Addington Village, were good examples of this situation. Councillor Butler described how both sites had been looked at and discussions held with residents. The Cabinet Member described how the Covington Way space was not being used and was opposite a large park. The scheme had been scaled back to allow space and trees to remain.

At the outset of his question to Councillor Hamida Ali, **Councillor Mann** also expressed his sympathies for the young person who had lost his life earlier on the same day as Council. Councillor Mann then asked the Cabinet Member what more could be done to protect *Community Safety Officers*. It was noted that the Crystal Place and Upper Norwood ward had lost its *Community Safety Officer*, PC Brian Lewis, as a result of his very much deserved promotion. This also meant the loss of local intelligence which had proved beneficial in stopping the development of local gangs. Councillor Mann asked what further incentives could be put in place to encourage *Community Safety Officers* to remain on local beats.

In response, the Cabinet Member highlighted that it was thanks to the Mayor of London that London had any local policing. It was explained that at a recent meeting with Sophie Linden, the Deputy London Mayor for Policing and Crime, the subject of *Community Safety Officers* had repeatedly been mentioned in addition to the quick churn at all levels of policing. It was described how this was being carefully monitored. Reassurance was provided that colleagues across London were raising this issue and would continue to do so.

Councillor Jason Cummings asked Councillor Butler about the purchase of the *Brick By Brick* units at Longheath Gardens and whether the units had made a profit or a loss on that development.

In response, Councillor Butler explained that she was unable to give an answer in full at the meeting but that different properties received different subsidies. It was explained that more expensive properties aimed to raise funds for the development of affordable housing. The Councillor was invited to email the Cabinet Member following the meeting detailing the information he required.

In his supplementary question, Councillor Jason Cummings asked for further information on what were to happen if the development had made a profit. He suggest that this profit would be used to pay a dividend to the Council which would go into the revenue fund. However, since the money that would be used for purchasing those properties would have come from capital expenditure and *Greater London Authority* funding for the construction of affordable housing, Councillor Cummings questioned if it was permitted that money from those sources would end-up in the Council's revenue account?

Councillor Hall, Cabinet Member for Finance & Resources provided a response. It was noted that the operation of *Brick By Brick* had been subject to scrutiny including the principal that affordable properties were subsidised by market properties and that this would more than outweigh any subsidy provided. The Cabinet Member stressed that this was an important income stream for the Council in addition to this providing so many homes for the Council including those that were 50% affordable.

Councillor Hay-Justice asked Councillor Shahul-Hameed what was being done to mitigate any effect of Brexit on businesses in Croydon.

In response, Councillor Shahul-Hameed described how she was worried about the implications of Brexit but that information was being widely sourced in order to help businesses understand the implications. It was described how *London Hub* and *Coast to Capital* had brought together a range of partners to provide resources and support. Additionally, the Council's *Economic Development Team* was providing businesses with personalised advice and that the *Going Global* summit would be held at the end of February 2020. This had cross party support as well as the input of the Minister for London. The Cabinet Member described how the Council was proactively working with businesses to provide support for their resilience plans with information available through the Council's website. It was stressed how joint working was being used to deliver on-going programmes to support business.

Councillor Perry asked Councillor Shahul-Hameed about the action she had taken to intervene and address the parking restrictions that were being introduced in Brighton Road to the detriment of businesses.

In response, Councillor Shahul-Hameed described how the Director of Public Realm had contacted those businesses affected with action being taken. The Cabinet Member asked Councillor Perry why he had waited until the Full Council meeting to raise the issue.

In his supplementary question, Councillor Perry stated that the Cabinet Member had two months during which to address with officers the concerns raised by residents. It was noted that the loading bays were now approved and going ahead despite the consequences of these having been brought to the attention of the Cabinet Member. It was described how there was a risk of a loss of business. Councillor Shahul-Hameed reminded Members that the Council had won a small business friendly borough award. It was described how businesses in the affected stretch of the Brighton Road had been contacted and that officers had been communicating with Councillor Perry. Additionally, the support for businesses available through the Council included business rate relief and small business grants.

Councillor Redfern raised a point of order with the Mayor and asked for his clarification on the time allotted to Cabinet Member announcements and each pool. The Mayor stated that each pool was allocated 30 minutes as indicated by the timer on the screen. Within this allocation, each Cabinet Member had up to two minutes to make their announcements. This was indicated by a

timer on the screen. Whilst the Mayor ensured that there was adherence to these timings, he allowed Cabinet Members a few additional moments to finish their announcements or to answer a question for the sake of clarity at his discretion.

Pool 2

With the end of the time allocated to questions to the Cabinet Members in the first pool, the Mayor signalled he was moving on to questions to Cabinet Members in the second pool. Councillors Collins, Scott and Hall were invited to make their announcements.

Councillor Collins, Cabinet Member for Clean, Green Croydon made his announcements. It was explained how the Council was working with local businesses to recycle pet food pouches and how this was being supported by local voluntary groups. Andrew Dickson, Waste and Recycling Support Supervisor, was specifically mentioned as the officer supporting this to happen with a bin being provided in *Morrison's* for collection and voluntary groups ensuring that this was emptied and the contents sent off to *TerraCycle*. The Cabinet Member reported that conversations were happening with other supermarkets to extend the scope of the initiative. The scheme was described as very worthwhile because it would prevent up to 100,000 packages from going into landfill.

Councillor Scott, Cabinet Member for Environment, Transport and Regeneration (Job Share) made his announcements starting with the news that Stephen Tate had been appointed as Director of Growth, Employment & Regeneration. Also that the *Reimagining Croydon's Subways* competition had received 54 entries with 34 shortlisted. It was anticipated that the final selection would be made with public involvement. The Fairfield development was continuing with a design team appointed and a public consultation coming forward; it was anticipated that the development would be completed in summer 2021. Finally, the Cabinet Member informed Council that the *Local Plan* consultation had received 1,000 responses which were being given very careful consideration. Additionally, as had been discussed earlier in the meeting, the *London Plan* had been submitted to the Secretary of State with a response not anticipated before 17 February 2020. This had been developed using cross party workshops that had looked at how many homes were needed and where they should be located.

Councillor Hall, Cabinet Member for Finance & Resources made his announcements. The Cabinet Member informed Members that the Council had published its pay gap data for the year up until March 2019. This had found that women were being paid more on average than their male colleagues and disabled employees more on average than their abled bodied colleagues. However, there still remained more work to do to address the ethnicity pay gap which had an average differential of 8.7%. Croydon retained the aspiration to be an inclusive and excellent employer and knew that the job was not yet done. The leadership programme and blind recruitment were just two ways in which this was being addressed.

The Cabinet Member also informed Council that the London Borough of Croydon Pension Fund had moved from being two thirds to 93% funded and this had been achieved without any investments in tobacco, fossil fuels or weapons.

Councillor Perry asked Councillor Scott why the *Local Plan* review had not considered the implications of a significant reduction in the target number of homes needed in Croydon resulting from the review by the Planning Inspectors.

In response, Councillor Scott reiterated that the target figures expressed in the *Local Plan* were generated using the standard methodology introduced by Government in 2019. This resulted in a target figure of 46,000 homes over 20 years whereas the *Local Plan* covered a period of 10 years and there remained the need to take into consideration the opinion of the Secretary of State which would be forthcoming. The Cabinet Member highlighted that this had been explained on the first page of the *Local Plan* with the reasoning behind the figures stated clearly. This also stated that there was awareness that the Mayor of London had changed the target housing figures in the *London Plan*.

In his supplementary question, Councillor Perry stressed that the variance in the figures was not insignificant and asked why the Cabinet Member had not used this opportunity to take stock. Councillor Perry stated that Councillor Scott was intent on imposing the higher target housing numbers. In response, Councillor Scott highlighted the need for each area to look at the range of homes needed. The Cabinet Member described how the Council was looking at housing need and that this had to be the key driver. This would be a lengthy process. It was noted that to meet the original figures proposed would require significant investment and infrastructure.

Councillor Fitzpatrick asked Councillor Hall what the people of Croydon most needed to hear from the Secretary of State for Housing, Communities and Local Government.

In response, Councillor Hall stated that the people of Croydon most needed an end to austerity for local government in order that it could provide a full range of services and that local government had done a superb job over the last 10 years against a worsening financial backdrop. Whilst the Council had welcomed the announcement of increased funding from the new Government this had been wiped out by the London business rates pilot. The Cabinet Member called on a fair funding formula for local government.

In his supplementary question, Councillor Fitzpatrick referenced the revenue grant and adult social care funding contained within the draft fair funding formula, wanting to know that if those were carried out would they make a difference to the budget and austerity. Councillor Hall explained that on Adult Social Care this would lead to a possible £6m improvement. However, this was set against an underlying pressure of £10m. This was despite both

innovation and preventative work in Adult Social Care as ways to manage costs. The Cabinet Member described the draft fair funding formula as helpful but not sufficient to relieve all pressures; whilst this was welcomed it was nothing like what was needed to maintain and improve services.

Councillor Hopley in her question to Councillor Scott highlighted that Friends groups were worried about the attack on green belt.

In response, Councillor Scott stressed that there was no attack anywhere. Rather including the option for some development on the green belt had been included in the *Local Plan* consultation following the suggestion being made by local residents' associations reflecting their preference not to have intensification of their streets. Whilst the Cabinet Member expressed that his preference was against development on the green belt, he was aware of concerns about intensification.

Councillor Hopley used her supplementary question to highlight concerns regarding development on the green belt. The proposal to build on *Sanderstead Recreation Ground* was referenced as worrying residents with it being noted that it was a very precious space. Councillor Hopley called on the Cabinet Member to provide assurance at the meeting that there would be no building on that site or any other green belt sites in the area.

Councillor Scott responded that he would not give such an assurance; the consultation on the *Local Plan* was in its early stages with many hundreds of representations having been received. It was stressed that it was owed to all that had participated to consider their views. The Cabinet Member expressed his hope that there would not be development on the green belt as he believed intensification was a better strategy. It was also explained that social infrastructure like schools were a good way of using the green belt; Croydon's children needed schools and schools needed green spaces. It was preferable not to cram schools onto sites.

Councillor Mann asked Councillor King about the *Croydon Living Streets* initiative and how it would be possible to rollout *Healthy School Neighbourhoods* faster.

In response, Councillor King described how *Healthy School Neighbourhoods* was receiving lots of support and how this included the promotion of road safety to address rat runs and speeding. *Healthy School Neighbourhoods* would introduce a series of measures to promote a local traffic environment and traffic measures. The Cabinet Member highlighted that if the initiative was better funded it would mean it could be introduced quicker and more extensively.

Councillor Roche asked Councillor Scott why the Administration was continuing to allow building on community spaces and the green belt with a net loss of trees in the Borough. Councillor Roche asked how this would help achieve the Administration's objective of a carbon neutral status.

In response, Councillor Scott stressed that the Borough was experiencing a housing crisis and that as a result the Council needed to find suitable spaces to build homes. It was explained that there was a focus on developing classic brownfield sites which were mostly located in the town centre and already being used. The Council was also working on delivering a major development on the Purley Way. However, not all the required homes could be provided by those locations. This meant that there was a need to replace large homes on larger plots to provide additional housing. The Cabinet Member emphasised that there was no net loss of trees in the Borough. Rather that there would be a net gain which was being delivered through initiatives such as the planting of many street trees.

In his supplementary question, Councillor Roche said that there were residents who had lost their green spaces, that there was growing concern about losing community spaces and that many would not agree about there having been a net gain in trees in the Borough. Councillor Roche wanted to know how the environment was going to be protected for future generations and how the Council would achieve its carbon neutral objective by 2030. Councillor Scott responded by stating that whilst the environment needed to be protected there was a need to get the balance right. It was explained that it was not possible to say that there would be no development on any green space as it was not possible to ignore those without a home at the time of the meeting or in the future. The Cabinet Member gave the example of the development at Kane Hill. This had been reworked to prevent the cutting down of trees. Rather the development had been reconfigured and therefore was more environmentally friendly.

Councillor Audsley asked Councillor King what would be the impact on jobs as the Council shifted away from the use of fossil fuels.

In response, Councillor King acknowledged that Councillor Audsley was correct to raise the potential impact on jobs given the scale of the climate crisis. However, the Cabinet Member also described how this provided an opportunity with the *Economic Development Team* working right across the Council to ensure measures were in place to encourage green start-ups as the Council managed the transition towards carbon neutrality. The Cabinet Member described how leadership would be provided across the Cabinet and illustrated by highlighting how Councillor Hamida Ali was ensuring the involvement of the community and voluntary sector and Councillor Hall was encouraging engagement with green companies through the Council's contracts.

In his supplementary question, Councillor Audsley asked what things the Council could do within its powers to encourage more green start-ups. Councillor King described how the Council was using its contracting powers. This was illustrated with the Highways Maintenance Contract which was fulfilled by *Conway*. It had been approached to support the Council's sustainable agenda and was fulfilling the contract with a partly electric fleet. The Cabinet Member also highlighted the value that would be achieved through the Citizens' Assembly and Climate Commission. These were

bringing residents together with experts from outside the Borough. The Council did not have all the solutions and needed to work with others to explore what was possible.

Pool 3

With the end of the time allocated to questions to the Cabinet Members in the second pool, the Mayor signalled that he was moving on to questions to Cabinet Members in the third pool with Councillors Flynn and Campbell substituting respectively for Councillors Lewis and Avis. Councillors Flynn, Flemming and Campbell were invited to make their announcements.

Councillor Flynn, Deputy Cabinet Member for Culture, Leisure & Sport made her announcements. The Councillor congratulated Councillor Lewis, the Cabinet Member for Culture, Leisure & Sport on his recent marriage. The Deputy Cabinet Member described how a delegation from Croydon had gone to the *Greater London Authority* to submit the Council's bid for the *London Borough of Culture 2021* entitled *This Is Croydon*. This was described as exciting, diverse and creative. An outcome from the bidding process was anticipated on 12 February 2020. The Cabinet Member thank all those from the Council who had helped facilitate at the last minute Stormzy's performance at *Boxpark*. The opening of the leisure centre at New Addington was also welcomed.

Councillor Flemming, the Cabinet Member for Children, Young People & Learning made her announcements. The *Total Respect* training delivered on 21 January 2020 was highlighted with all Members being encouraged to attend one of the future sessions to benefit from learning about the care experience through the eyes of the child. The training was described by those who had already attended as a powerful and uplifting experience aimed at providing better opportunities for children and young people in service delivery. Young people were involved in the training itself. The Cabinet Member highlighted how this was supporting the objective to raise the bar to deliver outstanding outcomes, in addition to early intervention and prevention.

Councillor Campbell, the Deputy Cabinet Member for Families, Health and Social Care made her announcements. The Council's *Dementia Team*, which had been shortlisted for an LGC award, was thanked. It was noted that the results of the awards would be announced in March 2020. The Cabinet Member also announced that Richard Pacitti, the CEO of *Mind Croydon*, was retiring at the end of March 2020 and that he would be truly missed. The Mayor agreed to the Cabinet Member's request that an event be held in the Town Hall to recognise Mr Pacitti's contribution.

In her question to Councillor Flynn, **Councillor Helen Pollard** highlighted her support for the success of the Fairfield Halls to be the cultural heart of the Borough and asked the Deputy Cabinet Member to confirm the date on which the car park would be opened.

In response, Councillor Flynn noted that the forthcoming session at scrutiny which would focus on the Fairfield Halls development and at which Councillor Helen Pollard's question would be answered.

In her supplementary question, Councillor Helen Pollard noted that she would be attending the Fairfield Halls session at scrutiny and expressed her surprise that the Deputy Cabinet Member was unable to answer her question which was reiterated. Councillor Flynn promised to provide an answer to Councillor Helen Pollard's question after the meeting.

In her question, **Councillor Prince** asked about the provision for looked after children to access facilities such as the *Legacy Youth Zone*.

Councillor Flemming explained that there was an annual £5 membership fee to access the *Legacy* facility and each young person paid 50p each time they visited. However, the decision was taken before the facility opened that all young people should have access and therefore funding had been made available from the *Pupil Premium* to fund looked after children.

In her supplementary question, Councillor Prince asked what more was being done to more widely publicise the facility. Councillor Flemming acknowledged that ways to promote *Legacy* were continually being explored and that whilst the facility offered ample space, it was always looking for volunteers to support its work and enable it to offer additional sessions and activities.

Councillor Gatland asked Councillor Flynn to give assurances that the money paid by *Network Rail* for its use of the *South Croydon Recreation Ground* during the replacement of the Sanderstead Road Bridge would be reinvested in the park to make good any damage and to improve the existing children's play area.

In response, Councillor Flynn provided reassurance that this had been raised with officers and it had been confirmed that money paid for the hire of the land would be used to make good any damage and improve the children's play area.

Councillor Gatland welcomed the Deputy Cabinet Member's response and used her supplementary question to call for a local green space protection champion. Councillor Flynn invited Councillor Gatland to jointly conduct a visit to the *South Croydon Recreation Ground*.

Councillor Skipper congratulated Councillor Flynn on the organisation of a coming home gig for Stormzy with just 48 hours' notice. The Councillor stated Croydon was proud to celebrate and host a local artist and that the Council would not support censorship of *Bashment* music. The Deputy Cabinet Member concurred with Councillor Skipper and expressed her own pride and delight at the successful event.

Councillor Hoar asked Councillor Flynn when previous assurances that Section 106 monies would be spent on designated parks would be fulfilled.

Councillor Hoar wanted to know when works would start and finish. Councillor Flynn asked Councillor Hoar to supply his question in detail to which a response would be provided after the meeting.

Councillor Woodley asked Councillor Flynn to outline the facilities available in the New Addington community leisure centre that opened to the public in January 2020.

In response, Councillor Flynn described that the new leisure centre included two swimming pools, a state of the art gym and meeting space making it a leisure centre for everyone that would engage residents from across the local community.

In her supplementary question, Councillor Woodley described how she had been informed by *Greenwich Leisure Ltd*, the operators of the *New Addington Leisure Centre*, that its healthy weight workshops had the highest level of referrals from GPs in Croydon. Councillor Woodley highlighted that this was another example of the Administration keeping its promises as detailed in the *Health and Wellbeing Plan*. Councillor Flynn agreed and described how she had met with local business owners who had also been very positive about the new leisure centre and the benefits it would provide.

In her question to Councillor Campbell, **Councillor Hopley** described how the *Health and Wellbeing Board* had been contacted by a gentleman experiencing difficulties accessing services. Councillor Hopley noted his had been a complicated case but that he had been waiting for a wheelchair for nearly three years having been passed from service to service. Finding a solution for supporting him was stressed with Councillor Hopley asking Councillor Campbell to guarantee to provide a solution.

In response, Councillor Campbell emphasised that the Council had been supporting and listening but that it was not appropriate to discuss an individual resident's care at a meeting of Council.

In her supplementary question, Councillor Hopley asked about the wider principal of a holistic approach to Adult Social Care. Councillor Campbell was asked to clarify the policy for those in need. Councillor Hopley called for the end of policies that disadvantaged the elderly and rather for the elderly to receive the support they needed. In response, Councillor Campbell highlighted the 76% cut to local authority funding due to austerity and how £1.5m had been spent bringing sheltered homes back in-house and under the direct control of the Council to ensure residents were looked after to a high standard. Councillor Campbell stressed that the cuts to local government budgets had come from Councillor Hopley's Government and that the Administration was doing its best with the resources available.

Councillor Mann used his question to Councillor Flynn to highlight that the *Crystal Palace International Film Festival*, from 5 – 28 March 2020, would feature the comedian Johnny Vegas. In response, Councillor Flynn noted that this was another demonstration of Croydon's cultural vibrancy and called for

this to be celebrated and supported given the wide benefits this brought to the Borough and its residents.

In his supplementary question, Councillor Mann noted that such events were only possible through the use of flexible public facilities and asked Councillor Flynn about plans to better equip public buildings in order to ensure they were fully used. In response, Councillor Flynn described how she was a fan of the *Stanley Halls* highlighting the flexibility and diversity of the venue. The Deputy Cabinet Member agreed that there was a need to invest in the Borough's libraries and other community facilities.

With time remaining for questions to the Cabinet Members in Pool 3, the Mayor asked if there was an Opposition Member with an additional question. **Councillor Gatland** was called forward by the Mayor who asked Councillor Flemming why she had not mentioned the anticipated Ofsted inspection as part of her announcements.

Councillor Flemming gave her thanks to Councillor Gatland for the opportunity to mention the Ofsted inspection for which there had not been time in her announcements. The Cabinet Member anticipated how this would be featured in more detail at the Council meeting on 2 March 2020 by which time the feedback from the inspection would have been received. It was noted that the inspectors would be onsite the week following the Council meeting and that the inspection would be conducted under a new framework that was introduced in 2019. This sought to look at services in a different way with a focus on front line practice and the voice of the young person.

Councillor Fraser asked Councillor Campbell about the additional 147 care staff who had transferred to become Croydon Council staff in January 2020. Councillor Fraser asked if these new Croydon staff would have their pay raised to meet the *London Living Wage*, noting how important it was to pay staff well in order to ensure their retention and to provide high quality care.

Councillor Campbell agreed with Councillor Fraser and described how a fair day's pay should be provided for a fair day's work. This reflected the Administration's decision in 2014 to become a *London Living Wage* employer which formed part of the Council's *Good Employer Charter*. The Deputy Cabinet Member stressed that being a *London Living Wage* employer was the right thing to do in order to drive up quality and standards.

With an end to the time allocated to questions to the Cabinet Members in the third pool, the Mayor brought Croydon Question Time to a close.

76/20 **Member Petitions**

The Mayor invited Councillor Shahul-Hameed to read out her petition. This was as stated in the agenda report: "*We, the undersigned, the concerned residents, implore Croydon Council to consider changing Sutherland Road*

from a two-way to a one-way road. This is to address the incidents of road-rage (including verbal and physical abuse) and damage to parked cars.”

Councillor King, Cabinet Member for Environment, Transport & Regeneration (Job Share) thanked the Councillor for her petition and noted officers had been asked to outline a proposal for a one-way scheme which would be considered for funding from the *Greater London Authority*. However, the Cabinet Member expressed some caution noting that one-way working did not always provide the benefits that were being sought. This could result in speeding with no traffic coming in the opposite direction. Traffic could also be dispersed to surrounding roads causing knock-on traffic issues. Councillor King noted that the roads adjacent to Sutherland Road were already subject to one-way working and that a consultation would be conducted on the scheme.

77/20 **Maiden Speeches**

The Mayor informed Council that Councillor Skipper had deferred her maiden speech. Councillor Ben-Hassel was invited by the Mayor to make her Maiden Speech, having been elected in the by-election held in Norbury & Pollards Hill ward on 14 March 2019.

Councillor Ben-Hassel said she was humbled by the trust placed in her as signified by her election and noted it was a year ago that Councillor Maggie Mansell had passed away unexpectedly. Councillor Ben-Hassel described how she was continually reminded of Councillor Mansell's dedication to her residents in addition to being a successful scientist. It was noted how Councillor Mansell had turned the ward of Norbury & Pollards Hill red and had a role in establishing three residents' associations in the ward. Councillor Mansell's campaign against library closures had been successful with new libraries being opened and the Administration investing in culture despite cuts to local authority funding. Councillor Ben-Hassel described how, since she had been elected, she had met many residents who were passionate about the Norbury & Pollards Hill ward, its history, green spaces and historic buildings. The Councillor explained how her focus would be on cleaner air and encouraged residents to shop locally including at the new *Co-op* store. It was highlighted how Councillor Ben-Hassel would continue to lobby the *Greater London Authority*, *Transport for London* and Government to invest in electric buses. The Councillor noted her other areas of focus would be putting residents at the heart of decisions, addressing poor quality housing and HMOs, in addition to concern about Brexit. Councillor Ben-Hassel described how Norbury and Pollards Hill was a ward of contrasts, of both opportunities and challenges. She called for communities to come together and work together for a better Norbury and Pollards Hill.

78/20 **Polling District and Polling Place Review**

The Mayor invited the Leader, Councillor Newman, to move the recommendations in the Polling District and Polling Place Review report. Councillor Newman confirmed that he was happy to move the recommendations. Councillor Tim Pollard was asked and duly seconded the recommendations.

The Mayor moved the vote and Council unanimously agreed the recommendations in the report:

- i. Approved the amendments to the existing schedule of polling districts set out in Appendix A to the report;
- ii. Approved the revised schedule of polling places set out in Appendix B to the report; and
- iii. Delegated to the (Acting) Returning Officer authority to approve an alternative polling place in the event that any polling place becomes unavailable or is found to be suitable in the run up to an election and to make this change on a permanent basis following the election.

79/20 Council Debate Motions

The Mayor requested the Chief Executive read the first Council Debate Motion made on behalf of the Administration:

“This Council notes that fly-tipping incidents in England have risen to over one million per year, and records appreciation for the huge efforts of our workforce to address the problem within our own borough at a time of severe financial pressures.

We call upon the government to run a national media campaign against fly tipping that spells out the environmental impact and the waste of public money clearing up after those who fly tip, that further spells out how that money could be better spent on other public services.

We call upon the government to debate the issue in parliament with a view to legislating tougher penalties, giving additional funding to local authorities to address fly-tipping, and in consultation with local authorities to review guidance to courts so that the worst offenders face more severe penalties.

We call on the government to further consider legislation on deposit schemes and incentives for manufacturers delivering bulky household goods to provide a new for old collection service”.

The Mayor invited Councillor Collins to propose the motion.

Councillor Collins explained that the motion was seeking cross party support to lobby Government to take a stand against those who fly-tip. This was reported as having increased by 40% in six years with councils on average spending £87m on clear-ups which was money that could be spent on other services. The Cabinet Member congratulated enforcement officers for their

work in the Borough dealing with fly-tipping. Research had found that one in five residents admitted to fly-tipping and didn't know what constituted fly-tipping. Councillor Collins called on Government to show it was taking the issue seriously. The comparison was made with drink driving; there was a need to demonstrate the consequences of fly-tipping to create a social stigma so that it was no longer thought acceptable. The Cabinet Member stressed that there could no longer be any excuses. Rather individuals had to take responsibility. Councillor Collins also called for positive Government action for schemes to reduce and return packaging. In closing, Councillor Collins called for penalties for fly-tipping to be tougher, for those convicted to be required to do Community Service to clear-up fly-tipped rubbish and for the Opposition to support the motion and to stand by what was right.

Councillor Jewitt seconded the motion and reserved her right to speak.

The Mayor invited Councillor Creatura to speak who remarked that the Labour Group, in its motion, was arguing fly-tipping was a national problem and that it had done all it could. However, Councillor Creatura emphasised that fly-tipping in Croydon had increased significantly more than in other London Boroughs which was due to poor local policies and a lack of political management. The Councillor described the experience of one resident in using the Council's bulky waste service; they had waited three months for their collection which had happened but not on the day requested. This meant that Croydon was failing to meet the recommendations from *Keep Britain Tidy* on reducing the hassle factor in disposing of waste. Councillor Creatura described Labour as admitting defeat and needing the national Conservative Government to ride to the rescue. However, the Opposition Group would support the motion as it was keen to tackle fly-tipping. Councillor Creatura highlighted that if the Labour Party had given up, it should let local Conservatives takeover the reigns as it was ready to step-in.

Councillor Hopley was invited to speak by the Mayor who stated that the Administration didn't want to take responsibility for its own failure. Councillor Hopley stated that the increase in fly-tipping in Croydon was the result of the decisions taken by the Administration and the Cabinet Member. Councillor Hopley described how residents were turned away by the contact centre and told to report fly-tipping online. As a result items were left strewn across the Borough. The issues for those living in flats were described as particularly acute with rubbish left to pile up on grassy areas and walls with the hope of attracting attention. *Purley Oaks Recycling Centre* was described as refusing to allow walk-ins. Also that extra garden waste collections were being refused and Christmas trees had still not been collected. Councillor Hopley highlighted the decision to dispose of all the neighbourhood recycling centres and that residents were not happy because they were having to store recycling indoors for up to two weeks between collections when they could previously have taken it to recycling centres daily. It was stressed that it was directly the responsibility of the Administration to get a grip of the issue.

Councillor Jewitt exercised her right to speak and highlighted that it was not the role of Council to undermine but to support the work done by the waste

management team. It was explained that Croydon benefitted from having residents who were good at reporting incidents of fly-tipping which made the issue in Croydon seem larger than in other Boroughs. Councillor Jewitt called on Government to step up and do more, expressing the wish to work together. The message that fly-tipping was antisocial behaviour and would not be tolerated needed to be communicated across a range of channels. Enforcement action needed to be taken against landlords who threw out belongings and furnishings when tenants moved on including revocation of their landlord licenses. Funding was needed for school co-ordinators to educate children in school to be better at managing their waste. Councillor Jewitt called for cross party support for this proposal.

The motion was put to the vote and carried unanimously.

The Mayor requested the Chief Executive read the second Council Debate Motion made on behalf of the Opposition:

“This Council regrets that this administration has failed to accept the 8700 unit reduction in Croydon’s housing targets in the London Plan, made by Government Inspectors and accepted by the Mayor of London. Instead this Labour Council is continuing to impose unreasonably high targets on the borough and is prepared to sacrifice green belt and green spaces in order to do so.

This Council further regrets that despite declaring a climate change emergency it is failing to protect green space and is indeed guilty of building on Council owned green space across the borough through its wholly owned development company, Brick by Brick.

This Council should take the opportunity offered by a Croydon Local Plan refresh as the means to enhance and protect our green spaces, rather than decimate them across the borough, as they play such a vital role in the wellbeing of our residents and are so vital to tackling climate change”.

The Mayor invited Councillor Helen Pollard to propose the motion.

Councillor Helen Pollard stated that the Administration had a single minded campaign against green spaces. This was demonstrated by there being no protection for parks in the *Local Plan* and the sale of green spaces to *Brick By Brick* for building. This was happening at the same time as a climate emergency and the loss of green spaces was therefore affecting the quality of life of residents. It was stressed that the Administration did not have to do this. Councillor Helen Pollard called on the people of Croydon to be alert to the potential of building on green spaces. This included even small green spaces. It was described how these could be put up for sale at any time including Boxing Day. Residents were advised to put up a petition and to campaign against such proposals as experienced had shown that in the face of overwhelming opposition it was possible to change the minds of the Administration and its developers. Additionally, residents were recommended to be inquisitive and follow the example of Friends groups that had made

Freedom of Information requests. Councillor Helen Pollard called on residents to be persistent and not to give up because otherwise, many more green spaces would be lost forever if they weren't protected.

Councillor Perry seconded the motion and reserved the right to speak.

The Mayor invited Councillor Scott to speak who described how the Council was facing two acute emergencies: climate change and the housing crisis. The Council therefore had to protect the environment and provide enough homes for all those in need. As detailed in the *Local Plan*, the Council was rising to the challenge with 46,000 homes proposed to be built over the next 20 years. This figure was based on the standard methodology and meant that Croydon was making a fair and reasonable contribution to the London Plan. Delivery of that target was being undertaken sustainably with most development happening in the town centre. Development would also happen on the Purley Way and through suburban intensification. The Cabinet Member explained how whilst it was not his preference to build new homes on the green belt, that option was also being explored through the *Local Plan* consultation. It was acknowledged that some open land would need to be developed but that this would not be at the expense of biodiversity. Councillor Scott called for a sensible reasoned debate and to work together to deliver sustainable growth, to reject the motion and move forward positively.

The Mayor invited Councillor Prince to speak who expressed her pleasure at the Opposition's commitment to tackle climate change and welcomed its commitment on other measures to tackle the climate emergency. It was thought that there had been some misunderstanding of the *Local Plan* review. This covered how the new homes required might be delivered at the same time as ensuring the green spaces needed for health and wellbeing through the development of a green grid. Croydon's housing targets were achieved in line with the national planning policy framework and reflected the Government's very high targets. Whilst the *London Plan* covered a period of 10 years, Croydon's *Local Plan* spanned a 20 year period. This meant it had to take into consideration the homes that would be needed by the children going through schools in the Borough at the time of the meeting. It was also noted that it was wrong to imply that the *London Plan* was final. There was no proposal to downgrade green space designations and in fact, some were proposed to have higher designations. The comments of the Secretary of State for Housing, Local Government and Communities on the *London Plan* would be taken into consideration. The inaccuracies in the motion were noted with regret and in closing Councillor Prince stated that the motion could not be supported.

Councillor Perry exercised his right to speak and described how with the Administration it was always someone else's fault. Rather than pushing back on the original high targets in the *London Plan*, the Administration had accepted these and sought funding. The Planning Inspectors had since judged that these targets were too high but those reductions had not been accepted by the Administration which was going to deliver them by destroying green belt despite the protection in place. It was highlighted that in 2018 the

Administration hadn't bothered to consult with Friends groups on the *Local Plan*. The reduction in numbers in the *London Plan* meant there was no justification to touch the green belt. The Minister for London was described as having stated his commitment to protect the green belt. The Administration was described as hypocritical for claiming to protect the environment whilst also planning to build on the green belt. It was hoped the Administration would listen to responses to the *Local Plan* consultation as there was no evidence of it having previously listening to residents.

The Mayor put the motion to the vote which fell.

80/20 **Recommendations of Cabinet or Committees to Council for decision**

1) Pan London Dockless Vehicle Hire Byelaw

The Mayor invited Councillor King, the Cabinet Member for Environment, Transport and Regeneration (Job Share), to move the recommendations referred by Cabinet on 16 December 2019 related to the Pan London Dockless Vehicle Hire Byelaw. The Cabinet Member explained that there wasn't a power to regulate dockless vehicles and that those had been causing some disruption across the Borough when discarded. The byelaw would address this situation and therefore he was pleased to move the recommendations. These were seconded by Councillor Muhammad Ali.

The Mayor moved the vote and Council unanimously agreed the recommendations in the report:

- i. Delegated authority to the London Councils Transport and Environment Committee to make a byelaw to regulate dockless vehicles in Croydon; and
- ii. Authorised the Executive Director of Place to sign any necessary documents to give effect to the recommendation above.

2) Addington Village Conservation Area Review

The Mayor invited Councillor Scott, the Cabinet Member for Environment, Transport and Regeneration (Job Share), to move the recommendations referred by Cabinet on 16 December 2019 related to the Addington Village Conservation Area Review.

Councillor Scott noted that he was pleased to recommend the extension of the conservation area in order to achieve the protection of green spaces and places of distinctive character. Thanks were given for the support of residents and Councillors in undertaking the review. The recommendations were seconded by Councillor Muhammad Ali.

The Mayor moved the vote and Council unanimously agreed the recommendations in the report:

- i. Approved changes to the Addington Village Conservation Area boundary as set out in the report;
- ii. Adopted the Addington Village Conservation Area Appraisal and Management Plan (CAAMP) as a Supplementary Planning Document;
- iii. Delegated to the Director of Planning and Strategic Transport, in consultation with the Cabinet Member for Environment, Transport & Regeneration (Job Share), the making of minor factual, editorial and image changes to the Addington Village CAAMP; and
- iv. Included the former Stables (Addington Palace Golf Clubhouse) and Stable Lodge on the Council's local list of buildings of special architectural or historic interest.

3) Quarter 2 Financial Performance 2019/20

The Mayor invited Councillor Hall, the Cabinet Member for Finance & Resources, to move the recommendations referred by Cabinet on 16 December 2019 related to the Quarter 2 Financial Performance for 2019/20. Councillor Hall moved the recommendations noting the Administration's commitment be able to offer more affordable housing. The recommendations were seconded by Councillor Clouder.

The Mayor moved the vote and Council unanimously agreed the recommendations in the report:

- i. Approved the increase to the capital programme by £2.660m as set out in Table 6 (of Appendix 2 to the report); and
- ii. Adoption of the lending criteria as set out in section 9 (of Appendix 2 to the report).

4) Scheme Of Co-Option

The Mayor invited Councillor Fraser, the Chair of the Ethics Committee, to move the recommendations referred by the Ethics Committee on 7 January 2020 related to the Scheme of Co-option. Councillor Fraser moved the recommendations noting they would provide a common approach to co-optees and their behaviour. The recommendations were seconded by Councillor Clouder.

The Mayor moved the vote and Council unanimously agreed the recommendations in the report:

- i. The adoption of the amendments to the Scheme of Co-option within Part 6D of the Constitution (as detailed in Appendix 4A of the report).
- ii. The adoption of the amendments to the Code of Conduct for Non-Voting Co-optees and its inclusion within the Constitution as an Appendix to Part 6D of the Constitution.
- iii. The inclusion within Part 5I of the Constitution, reference to the application of the Code of Conduct for Members to representatives of the Pension Board as detailed in paragraph 3.6 of Appendix 4 to the report and as set out in Appendix 4C to the report in tracked changes.

5) Education Estates Strategy And Admission Arrangements

The Mayor invited Councillor Flemming, the Cabinet Member for Children, Young People and Learning, to move the recommendations referred from Cabinet on January 2020 related to the Education Estates Strategy and Admission Arrangements for 2021/22. Councillor Flemming moved the recommendations noting their lengthy discussion at the Cabinet Meeting. The recommendations were seconded by Councillor Clouder.

The Mayor moved the vote and Council unanimously agreed the recommendations in the report:

- i. Agreed the proposed Community Schools' Admission Arrangements for the 2021/22 academic year (Appendix 6A to the report).

81/20 **Exclusion of the Press and Public**

This item was not required.

The meeting ended at 9.47 pm

Signed:

Date:

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REPORT TO:	COUNCIL 2 MARCH 2020
SUBJECT:	COUNCIL TAX AND BUDGET REPORT
LEAD OFFICER:	LISA TAYLOR DIRECTOR OF FINANCE, INVESTMENT AND RISK AND SECTION 151 OFFICER
WARDS:	ALL
CORPORATE PRIORITY/POLICY CONTEXT/AMBITIOUS FOR CROYDON:	
The Council Tax and Budget Report is prepared in keeping with the Council Procedure Rules at Part 4A of the Constitution.	

1. RECOMMENDATIONS

Subject to decision at the Cabinet meeting to be held on 24 February 2020, the Council is expected to be asked to approve the following recommendations:

- 1.1. A 1.99% increase in the Council Tax for Croydon Services (a level of increase Central Government has assumed in all Councils' spending power calculation).
- 1.2. A 2.00% increase in the Adult Social Care precept (a charge Central Government has assumed all councils' will levy in its spending power calculations).
- 1.3. The GLA increase of 3.6%.
With reference to the principles for 2020/21 determined by the Secretary of State under Section 52ZC (1) of the Local Government Finance Act 1992 (as amended) confirm that in accordance with s.52ZB (1) the Council Tax and GLA precept referred to above are **not excessive** in terms of the most recently issued principles and as such to note that no referendum is required. This is detailed further in section 3.5 of the covering report (at Appendix 6.1).
- 1.4. The calculation of budget requirement and council tax as set out in Appendix 6D and 6E. Including the GLA increase this will result in a total increase of 3.92% in the overall council tax bill for Croydon.
- 1.5. The revenue budget assumptions as detailed in this report and the associated appendices :-
- 1.6. The programme of revenue savings and growth by department for 2020/21 (Appendix 6A).
- 1.7. The Council's detailed budget book for 2020/21 (Appendix 6B).
- 1.8. The draft Capital Programme as set out in section 11, table 18 and 19 of this report, except where noted for specific programmes are subject to separate Cabinet reports.

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| <ul style="list-style-type: none">1.9. To increase the Asset Investment Fund by £100 million to £300 million.1.10. To note there are no proposed amendments to the Council's existing Council Tax Support Scheme for the financial year 2020/21.1.11. The adoption of the Pay Policy statement at Appendix 6H. |
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2. EXECUTIVE SUMMARY

This Council Tax and Budget Report comprises a summary of the process and matters of business relating to the Council Tax and Budget Setting as required by Part 4A of the Constitution. The report also includes recommendations that are anticipated to be made to Council by Cabinet at its meeting on 24 February 2020

3. GENERAL FUND AND HRA BUDGET PROPOSALS

- 3.1. The General Fund and HRA Budgets are appended as part of the covering report at Appendix 6.1.
- 3.2. At its meeting on 24 February 2020, Cabinet is anticipated to recommend to Council the recommendations detailed in 1.1 to 1.11 above. Those recommendations will be put to the vote at the conclusion of this item of business.
- 3.3. In accordance with paragraph 4.12 of part 4A of the Constitution, recommendations 1.1, 1.2 and 1.3 will be taken as recorded votes. It has also been agreed by the Monitoring Officer that the remainder of the recommendations (1.4 to 1.11) will be taken en block as a recorded vote.

4. QUESTIONS TO THE LEADER AND CABINET MEMBER FOR FINANCE & RESOURCES

- 4.1. At the outset of consideration of this item, Members will have the opportunity to ask questions of the Leader of the Council on any matter related to the Council Tax or draft budget.
- 4.2. Following the above session, Members will have an opportunity to ask questions of the Cabinet Member for Finance & Resources on any matter related to the Council Tax or draft budget.
- 4.3. Both of these question and answer sessions will last for fifteen minutes and the first three minutes of each session may be used by the Leader or Cabinet Member to make any announcements. Both sessions will be conducted in accordance with paragraphs 4.3 to 4.6 of Part 4A of the Council's Constitution.4.4
- 4.4. In case of doubt, the Mayor shall decide whether it is appropriate for any matter to be considered at a Council Tax Meeting and shall disallow any questions considered inappropriate. Each Member asking a question will also be allowed to ask a supplementary question

5. BUSINESS REPORT OF THE SCRUTINY AND OVERVIEW COMMITTEE

- 5.1. Part 4C of the Constitution outlines the process for developing the Council's annual budget and makes provision for the Scrutiny & Overview Committee to comment on proposals. It also requires Cabinet to take into account any formal response from the Scrutiny & Overview Committee.
- 5.2. Paragraph 4.8 of part 4A of the Constitution allows a period of ten minutes for Councillors to question the Chair of the Overview and Scrutiny Committee, the first two minutes of which are available to the Chair to make any announcements.
- 5.3. In accordance with the above requirements, the Scrutiny & Overview Committee considered all non-education elements of the proposed 2020/21 budget at its meeting on 10 February 2020. Education elements of the proposed budget were considered by the Children and Young People Scrutiny Sub-Committee at its meeting on 21 January 2020.

Council Tax and Budget Scrutiny

- 5.4. At its meeting on 10 February 2020, the Scrutiny and Overview Committee considered an item on the draft budget from the Cabinet Member for Finance and Resources.
- 5.5. An introduction from the Cabinet Member for Finance and Resources outlined the current status of the financial position, the growth pressures and priorities for 2020-21.

- 5.6. The Committee learnt that although there had been periods in the past when the support provided by the Council for unaccompanied asylum seeking children (UASC) had been fully funded by the Home Office, due to the way funding was currently administered that was not presently the case and had not been for a number of years. However, the fact that there was cross party support and from local MPs on this issue would help to make the case for fair funding for Croydon. Recent conversations with the government about UASC funding had been encouraging, leading to optimism that the current funding shortfall of approximately £9,000,000 per year would be addressed.
- 5.7. The Committee gave consideration to the fees and charges for Council services, noting that there would be an increase to pay and display parking charges for the first time in a number of years, with care being taken to ensure these increases were fair and equitable. The full year effect of implementing the emissions based charging for residents' parking permits and increased Building Control charges had also been factored into the budget.
- 5.8. The Committee questioned whether there would be any contract variations with the Council's waste collection providers, Veolia, and learnt that there had been an increase in the cost of the contract of £2,500,000 which had been factored into the budget. The cost had increased due to the growth in the number of properties in the borough and also other contractual issues that had been resolved following negotiations through the South London Waste Partnership.
- 5.9. The Committee questioned the priorities used when setting the capital programme for 2020-21, with it being advised that it was focussed on areas outlined in both the Labour Party Manifesto and the Corporate Plan. These included asset investment particularly the provision of new housing, ensuring that the requisite school places were available including the provision of a new Special Educational Needs (SEN) school in New Addington and renewing facilities such as roads and investing in sustainability.
- 5.10. The Committee learned that there continued to be uncertainty over the Government's plans for fair funding for local authorities, which meant it was challenging to plan for the longer term. Once there was additional clarity, an updated Medium Term Financial Strategy would be produced. It was hoped that the outcome from the Fair Funding Review would be positive for Croydon given that the current level of funding provided was based on out of date census data which was no longer reflective of the borough.
- 5.11. In response to a request for clarity about the focus on high risk and high spend services, it was advised that these were predominately people focussed services such as Adults and Children Social Care and SEN Transport, which were demand driven and as such required additional focus to manage potential risks. Monitoring of these service would focus on both what was being delivered and how it was delivered.
- 5.12. As there had been different programmes aimed at delivering savings over a number of years it was questioned whether these had achieved their targets. It

was advised that recent efficiency programmes had achieved significant savings for the Council and had also freed up floor space in Bernard Weatherill House which had been used to deliver a rental income of £4,000,000 per year. The savings delivered had been in the region of £10,000,000, which had enabled the level of reserves to be maintained, unlike many other local authorities.

- 5.13. As there had been an increasing amount of partnership working between the Council and Croydon Health Service NHS Trust over the past few years, the Committee questioned whether it was likely that there would be increasing amounts of partnership working going forward. In response it was highlighted that the One Croydon Alliance had been successful in delivering better outcomes for over 65s in the borough and saving money, as such it was likely to lead more opportunities in this area. These included plans being developed to expand the One Croydon Alliance to all age care and the recent creation of the Health and Care Board which would see even closer integration between health and social care. In doing this it was essential to ensure that savings were shared across health and social care and as such negotiations were underway with health to address the current imbalance.
- 5.14. The Committee welcomed the inclusion in the budget for 2020-21 of £5,000,000 being added to the Council's reserves to address concern about the current level which was perceived to be low. However it was acknowledged that the budget would need to be carefully managed throughout the year to ensure that it could be achieved.
- 5.15. As the budget included savings within Children Services, the Committee questioned how this would be managed without service delivery being negatively affected. Reassurance was given that none of the savings identified within the Children Service would involve any of the permanent staff and a range of performance indicators would be used to ensure any savings did not undermine service delivery.
- 5.16. The Committee asked the Council's Section 151 Officer whether the proposed budget met the requirements for a sound budget. It was confirmed that this was the case, although it was highlighted that there would be a need for continual monitoring of the budget throughout the year along with the agility to respond quickly to any challenges as they arose and to address them accordingly.
- 5.17. The Committee also sought reassurance that the budget monitoring process would be improved to ensure that issues were quickly responded to and managed appropriately during the year, lessening the need to find in-year savings. It was confirmed that extra resource would be put into finance, including business analytics, to ensure that effective monthly monitoring could take place and forecasting was more accurate. A greater level of monitoring would also be put in place in the previously mentioned high risk areas, looking at underlying actions as well as headline budgets.

- 5.18. At the conclusion of the item the Chair thanked both the Cabinet Member and the Section 151 Officer for their attendance at the meeting and their engagement with the questions of the Committee.

Conclusions

- 5.19. Following the discussion of this item, the Committee reached the following conclusions:
- i. That the Council was continuing to face significant pressure on its budget position.
 - ii. Supported the proposed increase in balance which will help manage financial uncertainty.
 - iii. That the Council's ability to accurately forecast and monitor the delivery of required savings would be crucial to achieving the budget in the 2020/21 financial year.

Recommendation

- 5.20. The Scrutiny and Overview Committee agreed to recommend to the Cabinet Member for Finance and Resources that an update on the bedding in of the Council's new financial monitoring systems be provided in September 2020.

Education Budget 2020/21

- 5.21. At its meeting on 21 January 2020 the Children and Young People Scrutiny Sub-Committee considered an item on the draft education budget from the Cabinet Member for Children, Young People & Learning and the Head of Finance.
- 5.22. The Sub-Committee learnt that following the 2020/21 Spending review the Chancellor delivered a statement which was followed in more detail by the Minister for School Standards which confirmed the Governments' commitment to a £7.1 billion increase in funding for schools by 2022/23. This included £700 million more in 2020/21 to support children and young people with Special Educational Needs, increased Early Years spending by £66 million and £400 million for Further Education.
- 5.23. In 2020/21 Croydon would see an increase of £21.3 million in the level of Dedicated Schools' Grant (DSG) funding compared to the previous year.
- 5.24. The Department for Education (DfE) made a commitment that the introduction of the national funding formula, which has been delayed since 2017, would come into place in 2021/22.
- 5.25. The Sub-Committee learnt that as required, Croydon had submitted its five year DSG Recovery Plan. The DfE's letter of response informed the Council of an increase to the High Needs Block allocation for 2020/21, and that allocations for

2021/22 and 2022/23 were under review. As a result the Council conducted a detailed revision of its previously submitted recovery plan which would be submitted to the High Needs Working Group as well as the Schools Forum later in January 2020.

- 5.26. The Sub Committee questioned what the new funding formula would mean for Croydon. Officers said it meant that nationally every pupil would receive the same basic funding. The effects of this formula would be different in every Local Authority (LA), and the Council was doing all it could to mitigate any adverse impact of the new formula.
- 5.27. The Sub-Committee commented that whilst the Government's commitments for £7 billion increase in funding for schools was welcomed, there was still a concern over the large deficit that has been accumulated by many schools in previous years. In particular, concerns were raised for Primary Schools which it was felt would not receive real term increases.
- 5.28. The Sub-Committee questioned what level of spare capacity was planned for in schools and what criteria was taken into account when calculating this figure. It was advised that there was an aim to have a spare capacity of 5%, which had been based on a number of sources of information included birth-rates and data on people moving into the borough. It was noted that where schools had spare capacity of greater than 5%, the Council would work with them to amend their plans and reduce expenditure.
- 5.29. The Sub-Committee questioned if the Council would request reinstatement of Unaccompanied Asylum Seeking Child (USAC) costs from government. Officers responded that the education provision of UASC was covered by the DSG but the budget did not cover social care costs
- 5.30. The Sub-Committee questioned if the government should be lobbied for reinstatement of the Private Finance Initiative (PFI) costs of a particular Croydon school and how much of a burden this was on the Council's Budget. Officers said a benchmarking exercise took place every five years which was due to be revisited in 2021 and costs associated with this particular PFI would be reviewed. Part of the funding from the DSG covered this cost and the Council covered some of the affordability gap.
- 5.31. In response to a Member question on how confident the Council was that place planning for pupils was accurate, officers said that places at schools were allocated on criteria for schools and parental choice. There were often instances of surplus places in schools, pictorial maps of this data were only valid on a day by day basis and data constantly changed. Planning for school places was completed based on figures supplied by the Greater London Assembly and intelligence gathered on areas of the borough. In the event of identification of lack of places, a contingency plan would be deployed to manage the issue.
- 5.32. The Sub-Committee questioned whether a school could decide not to admit Croydon children. Officers said that a school could not legally make such

decision without changing their admissions criteria and for such changes to be made, a legal process including consultation would need to take place.

5.33. Officers were thanked for their responses to Members' questions.

Conclusions

5.34. Following the discussion of this item, the Sub-Committee reached the following conclusions:

- i) The announcement of the commitment of additional school funding by government was welcomed, there were however concerns as to how this would assist to decrease the deficit of some schools.
- ii) Although there had been an increase in Croydon's funding allocation, there remained a significant gap of per pupil funding in comparison to inner city boroughs some of whose problems were similar to those seen in Croydon.
- iii) It was important that the Council maintain clear line of sight of any adverse impact of the national funding formula once it was implemented on the Education Budget.
- iv) It was vital that the Council conducted a comprehensive review as required in 2021 of the PFI costs associated with the Croydon School.

6. COUNCIL TAX DEBATE

6.1. The Council Tax Debate will proceed in accordance with paragraphs 4.9 to 4.12 of part 4A of the Constitution.

6.2. The order of speakers shall be as follows:

- i) Leader or other Cabinet Member (10 mins)
- ii) Leader of the Opposition (10 mins)
- iii) Administration Speaker (3 mins)
- iv) Opposition Speaker (3 mins)
- v) Administration Speaker (3 mins)
- vi) Opposition Speaker (3 mins)
- vii) Administration Speaker (3 mins)
- viii) Opposition Speaker (3 mins)
- ix) Administration Speaker (3 mins)
- x) Opposition Speaker (3 mins)
- xi) Administration Speaker (3 mins)
- xii) Opposition Speaker (3 mins)
- xiii) Leader or other Cabinet Member exercising a right of reply (5 mins).

6.3. The Leader of the Council and Cabinet Members may submit bulletins to be included in the Council agenda papers for this item. Bulletins may summarise the business undertaken by a Cabinet Member since the last ordinary meeting of the Council. The bulletins can be found at Appendix 6.2.

6.4. At the conclusion of the debate, the recommendations shall immediately be put

to the vote as detailed in 1.1 to 1.11 above.

CONTACT OFFICER: Stephen Rowan
Head of Democratic Services and Scrutiny

BACKGROUND DOCUMENTS: None

APPENDICES:

Appendix 6.1	Council Tax Report to Cabinet
Appendix 6.1A:	Revenue savings, income and growth options
Appendix 6.1B:	Detailed Budget Book
Appendix 6.1C:	Summary of Revenue Estimates
Appendix 6.1D:	Budget Requirement and Council Tax
Appendix 6.1E:	Council Tax Recommendations
Appendix 6.1F:	Response to Provisional Local Government Settlement
Appendix 6.1G:	Dedicated Schools Grant
Appendix 6.1H:	Pay Policy Statement
Appendix 6.2:	Leader and Cabinet Member Bulletins

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REPORT TO:	Cabinet 24th February 2020
SUBJECT:	General Fund & HRA Budget 2020/21
LEAD OFFICER:	<p>Lisa Taylor, Director of Finance, Investment and Risk (Section 151 Officer)</p> <p>Jacqueline Harris-Baker, Executive Director Resources & Monitoring Officer</p>
CABINET MEMBER:	<p>Councillor Tony Newman, Leader Of The Council</p> <p>Councillor Simon Hall, Cabinet Member For Finance And Resources</p> <p>Councillor Alison Butler, Deputy Leader (Statutory) And Cabinet Member For Homes And Regeneration</p>
WARDS:	All
<p>CORPORATE PRIORITY/POLICY CONTEXT:</p> <p>The Council's budget underpins the resource allocation for all corporate priorities and policies and in particular, the corporate priority for the delivery of value for money for the residents of the borough of Croydon. This report sets out the detailed proposals for the financial year 2020/21.</p>	
<p>FINANCIAL SUMMARY:</p> <p>The report details the revenue and capital budgets for the General Fund for 2020/21, including the Council Tax increase of 1.99% and the 2.00% increase for the Adult Social Care precept, the budget for the Housing Revenue Account and the increase in Housing Rents of CPI + 1% at 2.7% for 2020/21.</p>	
<p>FORWARD PLAN KEY DECISION REFERENCE 0720CAB</p> <p>The recommendations in section 1.1 are not executive decisions and therefore not key decisions – the final decisions are to be recommended to the Full Council for consideration at the meeting scheduled for 2nd March 2020.</p> <p>The recommendations in section 1.2 I, II and III are key executive decisions (reference no.03/17/CAB). The decisions may be implemented from 1300 hours on the 5th working day after it is made, unless the decision is referred to the Scrutiny & Overview Committee by the requisite number of Councillors.</p>	

1.0 RECOMMENDATIONS

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

1.1 That Cabinet recommend to full Council:

- I. A **1.99%** increase in the Council Tax for Croydon Services (a level of increase Central Government has assumed in all Councils' spending power calculation).
- II. A **2.00%** increase in the Adult Social Care precept (a charge Central Government has assumed all councils' will levy in its spending power calculations).
- III. The GLA increase of 3.6%.

With reference to the principles for 2020/21 determined by the Secretary of State under Section 52ZC (1) of the Local Government Finance Act 1992 (as amended) confirm that in accordance with s.52ZB (1) the Council Tax and GLA precept referred to above are **not excessive** in terms of the most recently issued principles and as such to note that no referendum is required. This is detailed further in section 3.8 of this report.

- IV. The calculation of budget requirement and council tax as set out in Appendix D and E. Including the GLA increase this will result in a total increase of 3.92% in the overall council tax bill for Croydon.
- V. The revenue budget assumptions as detailed in this report and the associated appendices :-
- VI. The programme of revenue savings, income and growth by department for 2020/21 (Appendix A).
- VII. The Council's detailed budget book for 2020/21 (Appendix B).
- VIII. The draft Capital Programme as set out in section 11, table 18 and 19 of this report, except where noted for specific programmes are subject to separate Cabinet reports.
- IX. To increase the Asset Investment Fund by £100 million to £300 million.
- X. To note there are no proposed amendments to the Council's existing Council Tax Support Scheme for the financial year 2020/21.
- XI. The adoption of the Pay Policy statement at Appendix H;

1.2 That Cabinet agree:

- I. A rent increase for all Council tenants for 2020/21, in line with the Government's social rent policy which has legislated to increase social rents by CPI + 1%, which is equal to 2.7%

- II. No increase to Garage and Parking space rents.
- III. 2% increase to the service charges for caretaking, grounds maintenance and bulk refuse collection as detailed in section 12.

1.3 That Cabinet note:-

- I. That in respect of the Council's public sector equalities duties where the setting of the capital, revenue and HRA budget result in new policies or policy change the relevant service department will carry out an equality impact assessment to secure delivery of that duty including such consultation as may be required.
- II. The progress being made towards balancing the Council's financial position for 2019/20 as at Quarter 3 and the current projected outturn forecast of £2.371m as set out in the report at item 3b on this agenda.
- III. The response to the provisional local government settlement which is attached at Appendix F.
- IV. That pre-decision scrutiny of the proposed budget 2020/21 took place at the Scrutiny and Overview Committee on the 10th February 2020. The Scrutiny and Overview Committee agreed to recommend that the Cabinet Member for Finance and Resources be invited to attend a meeting of the Committee and provide an update on the bedding in of the Council's new financial monitoring systems in September 2020.
- V. The statement on reserves and balances and robustness of estimates from the statutory Section 151 Officer.

2.0 EXECUTIVE SUMMARY

- 2.1 This report sets out the context and challenges faced by the council in setting a balanced budget for the financial year 2020/21, and gives an update on the key issues from the Spending Review of the 4th September 2019 and the Provisional Local Government Finance Settlement 2020/21, that was made on the 20th December 2019, which was then finalised on 6th February 2020 with no changes.
- 2.2 This report looks at the challenges faced by local government and particularly Croydon in terms of its continued financial pressures and resources available to deliver the key services for the authority.
- 2.3 The report updates on the challenges, assumptions and proposed changes that will underpin the 2020/21 budget. The report also gives details of the forecast financial performance of the Council for 2019/20, which forms part of this agenda.
- 2.4 The financial struggles of local authorities have been well documented for more than a decade. With no sign of austerity easing, councils like Croydon are increasingly having to balance rising demand for services with year-on-

year real terms cuts to their grant funding from government. This is compounded by historic underfunding which affects the base on which these cuts are made.

- 2.5 In the current climate demand for children's and adult social care has reached unprecedented levels, but without the necessary funding to pay for this demand. As a result local authorities are facing an untenable situation, with many now reaching tipping point. With growing numbers of both young and older residents, and other demographic changes, Croydon is affected by these national issues more than most.
- 2.6 As a council facing huge financial challenges Croydon is certainly not alone, but many of the issues impacting its finances are unique to the borough.
- 2.7 Croydon is one of the capital's largest boroughs by population and, although situated in outer London, it is inheriting a raft of traditionally Inner London issues that impact its budget. The effects of welfare reform, Universal Credit and the rising cost of poor quality rental property have seen large numbers of people move from central London to Croydon in search of cheaper accommodation, care and living costs. Subsequently poverty and homelessness are rising, need is becoming more complex and there is an increasing demand for, and strain on, public services and housing.
- 2.8 A consequence of the Home Office being based in the borough is that Croydon is the main 'gateway' authority for unaccompanied asylum seeking children (UASC) coming to the UK. Due to the shortcomings of the National Transfer Scheme, dispersal to other councils has not happened as expected so Croydon continues to care for hundreds of these vulnerable young people every year. It has to do initial assessments and support for almost all UASC and is home to some 10% of all UASC in the country. However, it receives no more than other local authorities. To cover the exceptional costs involved the borough has to make up a shortfall in funding of around £9m every year.
- 2.9 Even with this challenging financial backdrop, Croydon has managed to present a balanced budget, which includes an increase in council reserves by £5m after holding them at substantially the same level for the past six years and continues to protect the vital services that local people have said matter to them. In addition, Croydon is increasing the contingency in the budget. For many years, this was £1m. The current administration increased it four years ago to £2m and now it is being increased to £3.7m.
- 2.10 Recognising that the national system is broken, Croydon is leading the way by looking to new and innovative ways of delivering public services. Central to this is the borough's localities work with its focus on partnership, early help and prevention; providing targeted support to residents who need help the most, at the earliest opportunity, with a view to avoid crisis and the need for intensive intervention wherever possible.
- 2.11 The One Croydon Alliance, a community-based partnership with the NHS, is helping the over 65s, who might otherwise rely on hospital stays and costly care services, keep healthy and independent for as long as possible.

And it is through this same model that Croydon is rapidly transforming services for children and families. By providing the right help at the earliest possible stage, when and where it's needed, is helping to keep more children safe.

- 2.12 We are focused on providing empowering residents' lives by providing the right sort of support and service, for example by not having people in residential homes when they could be in their own home. In terms of families, by providing the right help at the earliest possible stage, when and where it is needed, we can keep more children safe.
- 2.13 As well as providing the physical assets that our residents need (such as schools and decent council homes), we are using capital expenditure to generate income streams or make savings. This includes our programme of asset investment, purchasing homes and improving buildings, such as New Addington Leisure and Community Centre, where we will see considerable savings in our leisure services contract, as well as providing massively improved facilities for residents.
- 2.14 By setting up a growth zone and working with the private and voluntary sectors, Croydon can continue to provide sustainable growth, invest in infrastructure and fund projects such as the Fairfield Halls restoration and the Legacy Youth Zone ensuring that investing in our culture is not compromised.
- 2.15 It is only through whole system change and prudent financial management that Croydon can continue to provide value for money services to local people and commit to increasing its general fund. A revised three-year financial strategy, which sets out the borough's medium-term plans, will be presented to cabinet later this year.
- 2.16 Croydon is having to react to both shared and unique challenges, as a local authority and an outer London borough, but this has brought with it an opportunity to introduce innovative service delivery and strengthen our work with partners out in our communities.
- 2.17 This administration has been determined to deliver on the priorities it set out in its Ambitious for Croydon manifesto, notwithstanding the pressures that come, directly or indirectly, from Central Government. This budget reflects the continued delivery of those priorities.

3.0 Local Government Finance Settlement 2020/21.

- 3.1 The provisional 2020/21 Local Government Settlement was announced on the 20 December 2019 by the secretary of state for Housing, Communities and Local Government, and then confirmed on 6th February 2020 with no changes.
- 3.2 In terms of funding for Croydon, the settlement shows an increase in Core Spending Power of 7.2%, mainly due to the development in the borough and the assumed council tax increases, and an increase in Settlement Funding Assessment (SFA) of £1.4m or 1.6%. This is a real terms cut, although it compares favourably with 2019/20 when the SFA was reduced by £7.8m or 8.2%.

- 3.3 In headline terms there were no material changes announced that change the assumptions made for Croydon in the Medium Term Financial Strategy (MTFS) and our budget planning. The settlement also confirmed the announcements that were made in the spending review. The 2020/21 Local Government finance settlement is for one year only.
- 3.4 The main Council Tax referendum threshold will reduce from 2.99% to 1.99% and the flexibility to raise the Social Care Precept will be 2%. If these rates are applied in Croydon this would generate an additional £7m in 2020/21.
- 3.5 Local Government's business rate baseline funding levels will also increase in line with inflation.
- The Government intends to delay the 75% Business Rates Retention and Fair Funding Review reforms by a year to 2021.
 - The London 75% Business Rates Retention pilot will not continue in 2020/21. For Croydon this represents a loss of £4.8m.
 - The Social Care Support Grant has been renamed the Social Care Grant and will be increased by £1bn in 2020/21 to £1.4bn. For Croydon this is an increase in funding of £5m, from £2.4m in 2019/20 to £7.4m in 2020/21.
 - Winter Pressures Grant has been rolled into the Improved Better Care fund, with no change to funding levels overall. In 2020/21 we will continue to receive a total of £9.7m, the same as awarded in 2019/20.
 - New Homes Bonus funding will decrease nationally by £10.5m (1.1%), with London seeing a decrease of £5.4m (2.9%). In Croydon we will actually receive a £0.6m increase in New Homes Bonus Funding, from £6.7m in 2019/20 to £7.3m in 2020/21.
 - Schools funding via the Dedicated School Grant will increase by £2.6bn (5.8%) nationally, with London receiving £352m (4.3%). In Croydon we will receive a 6.2% increase in funding. The DSG will increase by £21.3m from £343m in 2019/20 to £364.3m in 2020/21.
 - A real terms increase to the **Public Health Grant** supporting prevention and public health interventions. The actual allocation remains unconfirmed at the time of writing this report but is expected to be at least 1.84%. In 2019/20 our Public Health Grant is £20.8m.
 - Continued funding for the **Troubled Families** programme to support families with complex needs. The total possible funding for 2020/21 likely to be £1.1m
 - **Flexible Homelessness Support** grant will remain at 2019/20 levels, and additional monies have been allocated under the New Burdens Act for **Homelessness Reduction**. In total we will receive £6.6m in 2020/21, compared to £5.86m in 2019/20, an increase of £0.74m. We have been

successful in a recent bidding process for additional grant money to tackle rough sleeping and have been awarded £1.2m for 2020/21.

- Disappointingly there has been no recognition of the additional costs in Croydon in relation to **UASC** and there has been no additional allocation of funding. We will continue to work with the Home Office to ensure Croydon is funded fairly.

3.6 Croydon's response to the Provisional Local Finance Settlement for 2020/21 is included as Appendix F to this report.

3.7 The Council has a duty under the Local Government Finance Act 2003 to set a balanced budget before 11th March 2020. This report supports the enablement of that duty to be fulfilled, subject to agreement of the recommendations in this report by Full Council on the 2nd March 2020.

3.8 It is recommended that there is a 1.99% increase in council tax for the Croydon element of the charge and a 2.00% increase based on the Adult Social Care Precept as set by the Chancellor. The GLA are proposing an 3.6% increase in their element of the charge and that is due to be agreed by the GLA on the 24th February 2020. The overall headline increase is 3.92%. The effect of this increase on Band D is set out in table 1 below.

Table 1 – Local Taxation & GLA Taxation increase (Band D comparison)

Band D	2020/21 £	Increase %	Annual Increase £	Weekly Increase £
Croydon	1,325.12	1.99%	27.79	0.53
Adult Social Care Precept	126.91	2.00%	27.93	0.54
Greater London Authority	332.07	3.60%	11.56	0.22
	1,784.10	3.92%	67.28	1.29

Local Government Finance Settlement 2020/21 – Nationally

3.9 The final Local Government Finance Settlement was published on 6th February 2020. The settlement provided allocations for 2020/21 only. It is based on the Spending Round 2019 funding levels, with individual authority allocations based upon Spending Review 2015 and subsequent funding announcements. The main points are set out below:

- Council Tax – As previously announced at Spending Round 2019, the council tax referendum limit will be 2% for local authorities with social care authorities allowed a 2% social care precept. The provisional settlement confirmed districts will be allowed to apply the higher of the referendum limit or £5.
- Business Rates Retention – The three elements of the Business Rates Retention system (Baseline Need, NNDR Baseline and Tariff / Top Up amounts) have all increased by 1.63%, in line with the change to the business rates multiplier.
- Revenue Support Grant - As outlined in the technical consultation, RSG

(for those authorities that still receive RSG in 2019/20) has increased in line with the Business Rates Retention system (+1.63%).

- New Homes Bonus - The 2020/21 allocations have been announced. These will be paid with the legacy payments due from previous years (2017/18 to 2019/20). As previously announced, there will be no legacy payments for the 2020/21 in year allocations. The deadweight of 0.4% was maintained, with an additional £7m added from departmental resources (total funding of £907m), a slightly smaller top-up than last year.
- Top Up/Tariff Adjustments (Negative RSG) – As in previous years, the government has decided to eliminate the negative RSG amounts.
- Social Care Funding – Originally announced at Spending Round 2019, with further details provided in the technical consultation, the provisional settlement confirms the previously proposed national amounts and allocation methodologies, (see below for more detail).
- Rural Services Delivery Grant – The 2020/21 allocation of £81m and methodology for distribution remain unchanged from 2019/20.
- Business Rates Pilots – As expected, no new business rates pilots were announced for 2020/21, with all areas (aside) from the original 2017/18 pilot areas reverting back to the 50% scheme. The 2017/18 pilot areas are to remain at 100%, or 37% for the Greater London Authority.

Overall Funding: Core Spending Power

3.10 The National Core Spending Power figures for the period 2015/16 to 2020/21 are shown in Table 2 below. It shows an in year increase of 6.3% for 2020/21 and an overall increase for the period of 10.0%. However, there is a real term decrease of 4.8% over the period.

Table 2 Core Spending Power figures for England 2015/16 to 2020/21

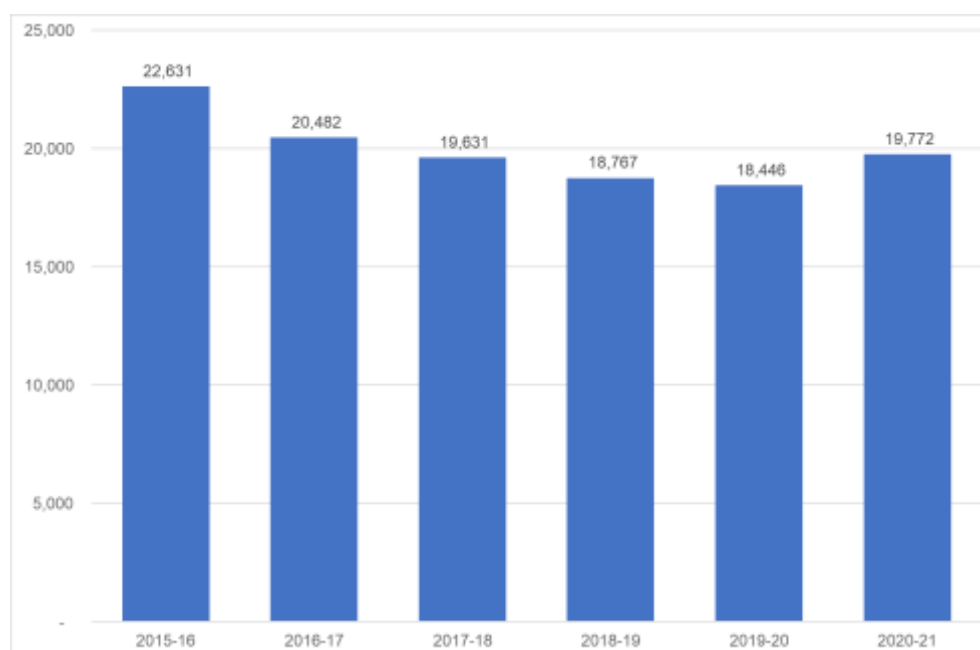
	2015-16 £m	2016-17 £m	2017-18 £m	2018-19 £m	2019-20 £m	2020-21 £m
Settlement Funding Assessment	21,250	18,602	16,633	15,574	14,560	14,797
Under-indexing the BR multiplier	165	165	175	275	400	500
Council Tax	22,036	23,247	24,666	26,332	27,768	29,370
Improved Better Care Fund	-	-	1,115	1,499	1,837	2,077
New Homes Bonus	1,168	1,462	1,227	947	918	907
New Homes Bonus returned funding	32	23	25	-	-	-
Rural Services Delivery Grant	16	81	65	81	81	81
Transition Grant	-	150	150	-	-	-
Adult Social Care Support Grant	-	-	241	150	-	-
Winter Pressures Grant	-	-	-	240	240	-
Social Care Support Grant	-	-	-	-	410	1,410
Core Spending Power	44,666	43,730	44,296	45,098	46,213	49,142
Change %		- 2.10%	1.30%	1.80%	2.50%	6.30%

Cumulative Change %		- 2.10%	- 0.80%	1.00%	3.50%	10.00%
Real Terms Change %		- 4.00%	- 2.50%	- 1.40%	0.10%	3.10%
Cumulative Real Terms Change %		- 4.00%	- 6.40%	- 7.80%	- 7.70%	-4.80%

Core Spending Power: Excluding Council Tax

3.11 Graph 1 below shows the level of central government funding to local government between 2015/16 and 2020/21 excluding Council Tax. It shows a reduction of £2.8bn from £22.6bn to £19.8bn, a reduction of 13%.

Graph 1 – Local Government Funding 2015/16 to 2020/21



Social Care Precept

3.12 The introduction of a social care precept was originally announced at SR2015. In the 2016/17 local government finance settlement, the government confirmed that there would be a 2% social care precept and that this would be available for four years up to 2019/20. The 2017/18 settlement altered the annual limit to 3%, but with a total increase of 6%, for the period 2017/18 to 2019/20. For 2020/21, a social care precept of 2% is allowed, continuing the original policy.

Council Tax

3.13 For 2020/21, there will continue to be differential limits that will trigger the need for a council tax referendum.

3.14 A referendum limit of up to 2% for all authorities except Shire Districts, Town & Parish Councils, and Mayoral Combined Authorities. For district councils, as in previous years there will be additional flexibility, with increases of less than 2% or up to and including £5 (whichever is higher) above the authority's relevant basic amount of council tax for 2019/20 can be made without triggering a referendum.

3.15 There will be no council tax referendum principles set for Mayoral

New Homes Bonus

3.16 The overall allocation (in the Core Spending Power figures) for each authority is based on the legacy payments for 2017/18 to 2019/20 plus the 2020/21 allocation. It should be noted that:

- As previously announced, the 2020/21 “in year” allocations will not have future years legacy payments;
- The deadweight for 2020/21 in year allocations remains at 0.4%;
- An additional £7m has been added to the £900m of funding, in order to allow the deadweight to remain at 0.4%; and
- The ministerial statement announced a Spring 2020 consultation on the future of the scheme, stating that “It is not clear that the New Homes Bonus in its current form is focused on incentivising homes where they are needed most” and the consultation will “include moving to a new, more targeted approach that rewards local authorities where they are ambitious in delivering the homes we need, and which is aligned with other measures around planning performance”.

3.16 Table 3 below shows that the “in-year” allocation for 2020/21 of £284m; this reduces the overall cost of the scheme by £11m, as £907m compared to £918m in 2019/20. It also shows the in-year allocation of £284m is the highest, since 2017/18 when the 0.4% deadweight was introduced.

Table 3 – New Homes Bonus national allocations

	2017/18 £m	2018/19 £m	2019/20 £m	2020/21 £m
Prior Years	1,030	545	295	0
2017/18	197	197	197	197
2018/19	0	204	204	204
2019/20	0	0	222	222
2020/21	0	0	0	284
Total	1,227	946	918	907

Specific Grants £3,568m

3.17 Details of the Specific grants within the Core Spending Power are set out below and summarised in Table 4. Table 4 shows the 2019/20 levels, the changes previously announced, and the 2020/21 amounts announced at the final settlement.

Table 4 Specific Grant allocations within the Core Spending Power 2020/21

	2019-20 £m	SR19 £m	2020-21 £m
Improved Better Care Fund	1,837	240	2,077
Winter Pressures Grant	240	-240	0
Social Care Support Grant	410	1000	1410
Rural Services Delivery Grant	81	0	81
Total	2,568	1,000	3,568

3.18 Winter Pressures Grant. In 2019/20, £240m of additional funding was provided to councils to spend on adult social care services to alleviate

winter pressures on the NHS. This was allocated using the existing Adult Social Care Relative Needs Formula. The funding was ringfenced to support the NHS in dealing with Winter Pressures and pooled into the Better Care Fund. For 2020/21, the winter pressures funding has been incorporated into the Improved Better Care Fund line and must therefore form part of local authorities' contribution to the BCF, though is no longer ring-fenced for Winter Pressures.

3.19 Improved Better Care Fund. In 2019/20, £1,837m was allocated through the Improved Better Care Fund. This amount remains the same for 2020/21. The overall amount within the Core Spending Power now includes the £240m Winter Pressures Grant Funding (previously shown separately).

3.20 Social Care Support Grant. In 2019/20, £410m of additional (non-ring-fenced) funding was allocated for use for adult and children's social services. This was allocated using the existing Adult Social Care Relative Needs Formula, which will also be used to distribute this Social Care Support Grant funding. For 2020/21, as announced in Spending Round 2019, an additional £1bn of funding was added to this grant.

3.21 The additional £1bn has been allocated as per the technical consultation, this being:

- £850m to be allocated using the Adult Social Care Relative Needs Formula, as per the existing Social Care Support Grant (i.e. the £410m allocated in 2019-20), Croydon received £4.970m from this part; and
- £150m to equalise the impact of the distribution of the adult social care council tax precept, using the current Improved Better Care Fund equalisation methodology. Croydon received £0.075m from this part.

3.22 Under this methodology, the total estimated to be raised by the Social Care Precept (SCP) is added to the equalisation amount. This total is then distributed by need. Each authority's estimated SCP is then deducted. This leaves authorities who collect more SCP than their needs amount with a negative grant figure. These are set to nil, and all other authorities' grant amounts reduced accordingly. Therefore authorities, such as Croydon, receiving an amount from this equalisation 'pot' are likely to be receiving less than their needs based amount, as assessed by the formula (though the Government state that all authorities receive at least 97% of their needs based amount).

3.23 Rural Services Delivery Grant. For 2020/21, the funding amount (£81m) and methodology for distribution remain unchanged from 2019/20, though in light of the responses to the Technical Consultation it seems likely that the Government will review the allocation method in future.

3.24 Homelessness Funding (outside of Core Spending Power)
In the Spending Round 2019, Government announced an additional £422m resource funding for MHCLG to reduce homelessness and rough sleeping. On 23 December 2019, £263m of funding was committed for Local Authorities to prevent and relieve homelessness in their areas through the extension of the Flexible Homelessness Support Grant and the Homelessness Reduction Grant.

- 3.25 The Flexible Homelessness Support Grant replaced the Temporary Accommodation Management Fee for authorities. The initial grant allocations were announced for 3 years from 2017/18 to 2019/20. In 2020/21, Government has committed £200m so authorities will receive the same amount as in 2019/20.
- 3.26 The Homelessness Reduction Grant was introduced as New Burdens funding to allow authorities to fulfil their duties under the Homelessness Reduction Act 2017, which required authorities to intervene at earlier stages to prevent homelessness in their areas, and was supposed to end in 2019/20. In 2020/21, £62.9m has been allocated, a £38m increase on 2019/20. £47.9m was allocated in accordance with the original Homelessness Reduction Act New Burdens formula, updated for 2017/18 RO outturn data and homelessness statistics. The remaining £15m has been distributed partly regionally and partly using stage 2 of the New Burdens formula. The extension and increase of this funding seems to be an acknowledgement that the Government's original assessment of the cost of the Homelessness Reduction Act was incorrect.

Wider Local Government Funding Issues

- 3.27 A summary of wider local government funding issues is set out below.

Queens Speech & Business Rates Retention

- 3.28 In the Queen's Speech (19 December 2019) it was announced that there would be:
- A fundamental review of business rates. From Croydon's perspective, it is felt that whilst any change in how business rates is determined would alter the ability of each authority to collect business rates locally, local authority gains or losses from any change would not be expected i.e. as with revaluations, NNDR Baseline, and therefore Top Up / Tariff amounts would be adjusted to offset changes in the amount collected.
 - An increase to the retail discount relief (from 33% to 50%) and extension of this to cinemas and music venues, with extensions to pub and relief local newspaper relief planned. The lost business rates income from these new / higher reliefs announced will be, as per previous changes, offset by increased s31 grant payments.
 - The Government restated its commitment to a review of the business rates system and to move to three-yearly revaluations, beginning in 2021.

Dedicated Schools Grant

- 3.29 In September 2019, the Secretary of State for Education announced that Dedicated Schools Grant (DSG) funding for 2020/21 would rise by £2.6bn, plus £1.5bn to fund additional pension costs for teachers. Announcements followed in October 2019 confirming various elements and provisional allocations. The Government have now announced updated calculations reflecting the latest pupil numbers (using the January and October 2019 census data). Each local authority will, as usual, receive funding in four blocks, all of which have now been confirmed for 2020/21 (prior to recoupment of funding for Academies, which will be finalised in the coming months):
- Schools Block - Each local authority will receive a minimum of a 1.84% per pupil funding increase. The allocations also meet the Conservative

Manifesto commitment to provide at least £5,000 for every secondary school pupil, and £3,750 per primary pupil. Local authorities will now also be required to deliver these per pupil rates to schools in local funding formulae (though many areas' rates are already at this level, and authorities may, in exceptional circumstances, apply for disapplication for affordability reasons).

- Early Years Block – allocations announced before Christmas, following rates confirmed in October.
- High Needs and Central Services Block – as announced in October 2019, updated for pupil numbers.

3.30 The Dedicated Schools Grant (DSG) is a grant that funds all aspects of education that relates directly to children. In March 2016 the DfE announced the National Funding Formula (NFF) proposals and in the two consultations that followed set out the intentions for school funding going forward. The intention was to implement the NFF by December 2016. However, in May 2017 the government announced that the NFF implementation would be delayed until April 2018 with a soft implementation of the NFF being available to Local Authorities (LAs) for 2018/19 and 2019/20 with a further extension to include 2020/21 (announced in July 2018).

3.31 It remains the government's intention that the schools budget should be set on the basis of a single NFF from 2021/22 and for 2020/21, LAs will continue to determine final funding allocations for schools through a local formula allowing LAs, following Schools Forum authorisation, to apply local rates / amounts to each of the factors that determine the allocation (such as Minimum Funding Guarantee and income deprivation affecting children) prior to the distribution of funding to schools. Croydon's School Forum finalised those decisions on 11th November 2019.

3.32 The DSG consists of four blocks: a Schools block; an Early Years block; a High Needs block; and the Central Services Schools Block (CSSB).

Independent Living Fund

3.33 Following the closure of the Independent Living Fund (ILF) in June 2015, the government agreed to continue funding pre-existing ILF arrangements until the end of 2019/20, through the Former ILF Recipient Grant. The ministerial statement confirmed that the former ILF Recipient Grant will continue to be paid to local authorities in 2020/21.

3.34 The total value of the grant in 2020/21 will be maintained at the 2019/20 value of £161m, with the same approach to individual local authority allocations.

Local Government Funding Reforms

3.35 There were no additional papers published or mentioned relating to the local government funding reforms that are planned for introduction from April 2021 (i.e. Fair Funding, Business Rates Retention, the full reset of the business rates baselines or the potential Alternative Business Rates Retention System).

Public Health grant

- 3.36 From 1 April 2013 the responsibility for the management of Public Health (PH) services in the borough transferred to the Council from the NHS. This brought about a range of new responsibilities including providing PH advice to Croydon CCG, tackling smoking, alcohol misuse and obesity, sexual health services, health inequalities and substance misuse including in-patient care. Additional funding was received in 2016/17 for the transfer to the Council of new responsibilities from NHS England for Health Improvements 0-5 years which took place on 1st October 2015.
- 3.37 The ring-fence grant is used to commission a range of mandated service from external and internal provider's e.g. Health visiting, Substance misuse services, sexual health services etc. As well as providing resources for services within Croydon council that improve the health and wellbeing of the people in Croydon.
- 3.38 A review of the services that are commissioned as well as a detailed review of the resources that are provided for services within the Council has been carried out during 2019/20 to ensure that the funding is utilised in the most effective manner and delivers on public health outcomes.
- 3.39 Funding for 2020/21 remains unconfirmed at the time of writing this report but a real terms increase of at least 1.84% was announced in the draft settlement. In 2019/20 our Public Health Grant is £20.8m.

4.0 Medium Term Financial Strategy (MTFS)

- 4.1 The current approved Financial Strategy covers the period 2018/22 and will be refreshed later this year for the period 2020/23. The current MTFS was approved by Council in October 2018 and is detailed in table 5 below. The MTFS pulls together in one place all the financial implications of the Council's strategic priorities to produce a costed plan to enable long term financial planning and enable financial sustainability.
- 4.2 The MTFS is designed to aid strategic planning and is particularly important during this time of funding uncertainty. The ongoing Fairer Funding Consultation means that the level of government funding beyond 2020/21 is unknown and therefore makes planning of the strategy more difficult. We would hope to be able to do a full MTFS refresh once there is greater clarity on local government funding and the overall Spending Review, which will hopefully be detailed in the national budget in March.
- 4.3 While the MTFS will outline all the key Council financial priorities for the future years. It will make assumptions in some areas due to uncertainty and therefore regular reviews and updates of the Strategy are fundamental to maintain a strong financial grip.
- 4.4 The focus of our work to date has been to get to a balanced budget position for 2020/21 that can be presented to Cabinet in February and Council in March 2020, therefore reducing the previously forecast budget gap of £12.5m to zero.

Table 5 – Budget gap – MTFS published October 2018

	2020/21 £m's	2021/22 £m's	Total £m's
Budget Gap	12.5	7.7	20.2

5.0 Corporate Assumptions - 2020/21 budget

Council tax

- 5.1 Council tax income made up £180m of the 2019/20 budget, over 65% of the net income and is therefore a very significant element of the council's budget. The draft budget for 2020/21 assumes that council tax is increased by 3.99%. This increase comprises of 1.99% Croydon Council Tax and the additional 2% relates to the ASC precept allowed. The overall increase in council tax generates an additional £7m.
- 5.2 Also as a result of increases in the number of households liable for council tax and improved collection, a further £4m is expected in council tax from council tax base improvements.
- 5.3 Council tax income for 2020/21 after allowing for both increases referred to above would equate to £11m.

Grants

- 5.4 As set out in section 2 of the draft settlement. There has been a number of changes in grant income that have to be taken into account in the 2020/21 budget. The overall change is a net gain of £5.7m. However, it should be noted that the Government has ended the London Business Rates Pool, which results in a loss of £4.8m.

Inflation

- 5.5 The budget for 2020/21 needs to take account of changes in the cost of living/inflation. A pay award of at least 2% for all staff has been assumed, although the unions have put in a substantially higher claim. Additionally a number of council contracts are subject to indexation each year. The overall cost of this is inflation is £7.2m and needs to be managed within the Council's overall budget. We have assumed that all departments will find efficiencies, over and above departmental savings, to manage these budgetary pressures.

Capital Programme and borrowing

- 5.6 The council's capital programme assumes the taking out of new borrowing to fund projects that require debt. The assumption overall is that there will be borrowing of circa £277m in 2020/21 and an additional amount of **£2m** has been added to the revenue budget to fund the associated interest payments. This additional cost of borrowing amount excludes borrowing for specific programmes where the borrowing is repaid to the Council, examples of these programmes are: Growth Zone, the asset acquisition fund and the revolving investment fund.

6.0 Local Government Finance Settlement 2020/21 – Croydon

- 6.1 The published Core Spending Power (CSP) figures for Croydon are shown in the table below. Croydon's CSP for 2020/21 is £308.7m, an increase of £20.8m on the 2019/20 amount. However, it should be remembered that the CSP figures for the Settlement Funding Assessment and Council Tax are Ministry of Housing Communities and Local Government (MHCLG) forecast amounts only; with actual resources determined by the amount of business rates and council tax collected locally.
- 6.2 The funding per head reduces in real terms from £721 per person in 2015/16 to £667 in 2020/21. This is a reduction of 7.4% or £54 per head. If funding was held at the same rate per head in real terms over the period Croydon would an extra £24.7m (£62 per head) in 2020/21.

Table 6 Croydon's Funding Allocations 2015/16 to 2020/21

	2015-16 £m	2016-17 £m	2017-18 £m	2018-19 £m	2019-20 £m	2020-21 £m
Settlement Funding Assessment	132	114.6	101.7	94.5	86.8	88.2
Under-indexing the business rates multiplier	1	1	1	1.6	2.4	3
Council Tax	133.4	143.5	155.1	167.4	180	193.1
Improved Better Care Fund	-	-	5.5	7.1	8.3	9.7
New Homes Bonus	9.6	11.8	8.5	6.3	6.7	7.3
New Homes Bonus returned funding	0.2	0.2	0.2	-	-	-
Transition Grant	-	0.4	0.4	-	-	-
The Adult Social Care Support Grant	-	-	1.4	0.9	-	-
Winter pressures Grant	-	-	-	1.4	1.4	-
Social Care Support Grant	-	-	-	-	2.4	7.4
Core Spending Power	276.3	271.4	273.8	279.1	287.9	308.7
Population	383,300	386,700	390,100	393,600	397,000	400,200
Core Spending Power Per Head	721	702	702	709	725	771
Core spending power real terms	276.3	266	258.4	255	256.8	267.1
Core spending power per head - real terms	721	688	662	648	647	667

- 6.3 Table 6 shows an increase in funding for Croydon over 2015/16 to 2020/21 of £32.4m in cash terms or 11.7%. However, it is important to note that this includes forecast increased council tax revenues over the period of £59.7m. Excluding Council Tax revenues sees a cash reduction in funding over the period of £27.3m or 19%. Further details of each funding stream included within Croydon's Core Spending Power and the extent to which the MHCLG's figures are relevant to Croydon is discussed below.

New Homes Bonus

- 6.4 Croydon's New Homes Bonus (NHB) allocation for 2020/21 is £7.3m, as shown in table 7 below. This is comprised of £4.6m legacy payments from previous years and an in-year payment of £2.7m.

Table 7 Croydon's NHB Forecast Funding Allocations 2019/20 to 2022/23

	2019/20 £m	2020/21 £m	2021/22* £m	2022/23* £m
2016/17 allocation	2.1	0	0	0
2017/18 allocation	1	1	0	0
2018/19 allocation	1.8	1.8	1.8	0
2019/20 allocation	1.8	1.8	1.8	1.8
2020/21 allocation	0	2.7	0	0
No future years' allocations forecast	0	0	0	0
Equals NHB Funding (£m)	6.7	7.3	3.6	1.8

**projected*

- 6.5 The 2017/18 settlement included a number of changes to the New Homes Bonus scheme, including only 4 years' worth of payments for 2017/18 onwards (previously 6). For 2020/21 it was announced that the 2020/21 "in-year" payment (£2.7m in table 4 above) would not have any future years' legacy payments. This means that Croydon will not benefit from 4 years' worth of the £2.7m 2020/21 allocation, which was the highest in-year allocation Croydon had received since the 2017/18 reforms.
- 6.6 It was also announced that there would be a consultation in Spring 2020 concerning the future of the scheme, with the intention of moving it towards a more targeted approach. It remains to be seen how this new approach will affect Croydon and therefore it is assumed for now that future years' payments will only reflect legacy payments outstanding from 2018/19 and 2019/20 (although these could also be withdrawn).

Social Care Grants

- 6.7 The Social Care Support Grant has been renamed the Social Care Grant and will be increased by £1bn in 2020/21 to £1.4bn. For Croydon this is an increase in funding of £5m, from £2.4m in 2019/20 to £7.4m in 2020/21.
- 6.8 Winter Pressures Grant has been rolled into the Improved Better Care fund, with no change to funding levels overall. In 2020/21 we will continue to receive a total of £9.7m, the same as awarded in 2019/20.

London Business Rates Pilot / Pool

- 6.9 The London Pilot provided an opportunity for all London authorities to gain from the business rates growth across the region in 2018/19 (at 100% retained growth) and 2019/20 (at 75% retained growth). For 2020/21 the government announced that there would be no pan London Business Rates Pilot, with only the Greater London Authority (GLA) able to retain a higher proportion growth (as per the 2017/18 arrangements).
- 6.10 However, for 2020/21 the London Boroughs and the City of London Corporation have joined with the GLA to form a London Business Rates Pool, thereby allowing some of the growth that would have left the region (albeit a much smaller amount than under the pilot) to be retained across the boroughs.

- 6.11 As with the 2018/19 and 2019/20 pilots, the gains are dependent on the business rates collected across all of the boroughs, it is therefore difficult to predict the outcome for Croydon at this stage. Once 2020/21 NNDR1 forms have been completed and collated, a forecast level of gain for each of the billing authorities will be possible. However, this will only be a forecast and the final amount will not be known until the actual business rates collected in 2020/21 is determined. The current estimate is that this will be a loss of £4.8m for Croydon.

Local Government Funding Reform

- 6.12 The outcome of the Fair Funding Review on relative need, the planned move to 75% Business Rates Retention and a full reset (removing the business rates growth from all authorities and re-distribute it according to need) has been put back from 2020/21 to 2021/22.

Fair Funding Review

- 6.13 There has been very little information from the Fair Funding Review in the past 12 months. Therefore, the indications remain from the Relative Needs consultation of elements that could result in Croydon losing, notably relating to use of geographical size as a factor, which could penalise urban areas.

Business Rates Reform

- 6.14 The move to 75% Business Rates Retention should not have an impact on funding levels. The Top Up grant received by Croydon would be adjusted to reflect funding lost through grants being added to the Settlement Funding Assessment and a higher proportion of business rates income being retained locally.
- 6.15 It is not possible to determine if the delay to the reset of business rates had an adverse impact on resources in 2020/21 for Croydon. This would require a comparison between the post reset funding system against actual 2020/21 business rates collected (including gains from the London Pool).

Settlement Funding Assessment per head across London

- 6.16 Table 8 below shows the Settlement Funding Assessment per head for each London Borough (excluding the City of London) and shows Croydon ranked as 20th, receiving £220 per head in 2020/21, whereas neighbouring Lambeth will receive £430 per head. If Croydon were funded at the London average of £297 per head for 2020/21 it would receive an additional £32m.
- 6.17 Croydon has an average of £247 per head over the five year period; this compares to the London average of £326.

Table 8 – Settlement Funding Assessment per Head

	SFA (£ PER RESIDENT)						Avg. over the 5 years	Rank in 2020/21
	2016-17	2017-18	2018-19	2019-20	2020-21			
London	381	341	318	295	297	326		
Hackney	615	562	530	496	498	540	1	
Westminster	573	526	498	469	473	508	2	
Southwark	568	519	491	460	463	500	3	
Islington	555	503	472	440	442	482	4	
Tower Hamlets	553	501	469	436	436	479	5	
Hammersmith and Fulham	523	480	456	428	435	465	6	
Lambeth	526	480	454	425	430	463	7	
Camden	545	489	457	423	425	468	8	
Newham	493	452	427	401	404	435	9	
Kensington and Chelsea	510	458	429	396	403	439	10	
Lewisham	484	440	413	385	387	422	11	
Greenwich	457	415	390	363	365	398	12	
Haringey	458	415	389	361	364	397	13	
Brent	417	379	357	333	337	365	14	
Barking and Dagenham	422	383	359	334	334	366	15	
Waltham Forest	393	354	332	308	311	339	16	
Wandsworth	354	325	308	290	293	314	17	
Ealing	344	309	289	267	271	296	18	
Enfield	341	305	283	261	263	291	19	
Croydon	296	261	240	219	220	247	20	
Hounslow	282	249	230	210	212	236	21	
Sutton	285	247	225	202	204	233	22	
Redbridge	269	237	218	199	200	224	23	
Merton	267	232	212	191	193	219	24	
Hillingdon	239	206	187	168	169	194	25	
Harrow	233	199	180	160	162	187	26	
Barnet	232	198	179	158	159	185	27	
Bexley	224	192	173	154	155	180	28	
Havering	205	172	153	133	133	159	29	
Kingston upon Thames	182	146	126	119	119	138	30	
Bromley	171	140	122	111	111	131	31	
Richmond upon Thames	168	124	108	110	111	124	32	

Homelessness Funding

- 6.18 Flexible Homelessness Support grant will remain at 2019/20 levels, and additional monies have been allocated under the New Burdens Act for Homelessness Reduction. In total we will receive £6.6m in 2020/21, compared to £5.86m in 2019/20, an increase of £0.74m.
- 6.19 For 2020/21 Croydon has been allocated £5.5m Flexible Homelessness Support Grant (the same as in 2019/20) and £1.2m in Homelessness Reduction Grant. This funding for local authorities is outside of the Core Spending Power amounts.

External Financial Environment

Spending Round 2019 and Settlement 2020/21

- 6.20 Spending Review 2015 covered the four year period 2016/17 to 2019/20. It was the intention of the government to hold a new Spending Review in 2019, covering the period 2020/21 to 2022/23. However, due to the uncertainty regarding Brexit, it was announced that a one-year Spending Round would be provided, covering the financial year 2020/21 only; and that this would be followed in 2020 by a full Spending Review, reviewing public spending as a whole and setting multi-year budgets.
- 6.21 The Chancellor of the Exchequer published the government's Spending Round on 4 September 2019, setting out public expenditure plans for 2020/21.
- 6.22 The key announcements made in the Spending Round and subsequently the Provisional Finance Settlement on 20th December 2019 (and confirmed in the final settlement published 6th February 2020).
- 6.23 Due to the General Election in December 2019 there was no Autumn Budget 2019. Instead a Spring Budget 2020 is planned for March 11th 2020.

7.0 Department Assumptions 2020/21 budget

- 7.1 Alongside the corporate assumptions that underpin the 2020/21 budget, work has been ongoing to ensure that departmental and service estimates are accurate. This is the key element of the budget where movement in resources between services can be identified. This reflects growth, savings and income. Appendix A sets out the detailed list of growth, savings and options across the four departments of the council. Table 9 below shows the movements within departments and at a corporate level from 2019/20 to 2020/21.

Table 9 – Cash Limit Movement

Department	Cash Limits 19/20	Growth	Savings and Income	Other Movements	Cash Limits 20/21
	£M	£M	£M	£M	£M
Children, Families and Education	79.372	10.112	-8.027	-0.100	81.357
Health, Wellbeing and Adults	114.046	21.237	-16.194	-0.315	118.774
Place	45.445	6.799	-9.946	0.574	42.872
Resources	36.553	7.205	-6.082	-0.159	37.517
Dept Total	275.416	45.353	-40.249	0.000	280.520
Corporate Items	275.416	-19.771	24.875	0.000	280.520

- 7.2 The projected department overspend in 2019/20 is **£4.781m**, excluding the exceptional items detailed in paragraph 8.6 below. The main areas of overspend continue to derive from demand led services, particularly placements for Looked After Children and are a continuation of pressures experienced in previous years.

Children, Families and Education including UASC

- 7.3 Significant additional resources were allocated as part of the 2018/19 and 2019/20 Children's Social Care budgets; in particular total additional growth of £22.2m addressing pressure in a range of areas, most of which feature in the Children's Services Improvement Plan. This is in addition to £0.7m in Resources (Business Support base budget) to ensure the staffing structure and budget support both the level of demand being experienced and also the areas of focus for improvement.
- 7.4 Additional one-off investment funding via the Council's Transformation Reserve is also being used to support the implementation of the improvement plan. The estimated cost of this plan over the three years since the Ofsted inspection is expected to be £20m (of which £3.2m and £9.8m was spent in 2017/18 and 2018/19, respectively).
- 7.5 The level of one-off funding is based on a detailed assessment of the costs associated with the improvement plan and the improvements that will be achieved as a result of the investment have also been identified and are regularly monitored.
- 7.6 The exceptional items as reported to Cabinet in the Quarter 3 financial monitoring report relate to UASC, NRPF and Appeal Rights Exhausted (ARE), which we are continuing to lobby the government to fund as set out in paragraph 6.19. As stated, the UASC increased cost is as a result of the Home Office continuing to only fund an wholly inadequate fixed rate per child and the number of UASC remaining in Croydon, above the National Transfer Scheme rate of 0.07% of the borough's child population, together with the failure to recognise the gateway authority-specific costs which the Home Office used to fund at some £6m. Further, while our numbers of UASC are decreasing, direct and indirect service provision costs are not decreasing at the same rate.

Alongside the response to the Fair Funding Review Croydon continues to lobby the Government for fair funding in Croydon in relation to two specific service areas. These are No Recourse to Public Funds (NRPF) and Unaccompanied Asylum Seeking Children (UASC) funding.

- 7.7 Funding for UASC and Immigration remains a risk, and we are continuing to make a concerted drive for fairer funding for Croydon. The Leader of the Council, the Cabinet Member for Finance and Resources and senior officers continue to lobby the government for adequate funding and recognition of the additional costs burdens of a Gateway authority. We have also highlighted a number of other areas where prioritisation by the Home Office could result in a saving to Croydon, including prioritising unresolved appeals for families with no recourse to public funds and a co-ordinated approach to enforcement action with individuals where appeal

rights are exhausted. Until the agreement is reached to fund these services these remain a financial risk to Croydon.

- 7.8 The UASC pressure continues to be as a result of the Home Office only funding a fixed rate per child, which does not accurately reflect our costs for looking after those children, nor the costs of acting as a 'gateway' authority and looking after and accommodating many more UASC above the National Transfer Scheme Rate. The fall in the number of UASC has exacerbated this issue. While our numbers of UASC are decreasing from a height of 428 in 2016 to 261 at January 2020, direct and indirect service provision costs are not decreasing at the same rate. Options to reduce this funding gap through the reduction of costs and maximising Home Office income are still continuing to be explored.
- 7.9 Despite providing an additional £30m of funding in 2019/20 where Upper Tier and Unitary Local Authorities benefited from an increase in rates to £114 per UASC per night, as Croydon was already in receipt of this rate we received no further increase. Representations continue to be made to central government, making a case for the extraordinary circumstances experienced in Croydon of supporting a large cohort of UASC and former UASC care leavers.
- 7.10 In terms of UASC and NRPF for former UASC, the Council is facing an estimated £9m annual shortfall
- 7.11 The NRPF pressure remains due to the impact of the failure of Central Government to implement the provisions of the Immigration Act.
- 7.12 The total 2019/20 forecast cost of UASC for the Council is £8.2m and includes Children's Social Care costs, along with costs associated with education and health for these young people.
- 7.13 The NRPF pressure remains due to the impact of the failure of Central Government to implement the provisions of the Immigration Act. In addition to these exceptional items Croydon also funds in excess of £4m of other costs relating to NRPF across Adults, Children's and Gateway services from our own resources.
- 7.14 A further £9m of growth is provided for in the 2020/21 budget to deal with the level of demand and the pressures around lack of funding of UASC.

Health, Wellbeing and Adults

- 7.15 Adult Social Care has continued to see increases in demand for services above budget and there is a projected net overspend as at Q3 of £9.891m in 2019/20. Areas of significant overspend continues to be in 25-65 Disability Service and Older People and following agreed in year savings, overspends are £4.0m and £6m respectively. This is the result of rising demand in Domiciliary Care, Nursing and Residential placements where there is an increase in placement costs and complex cases. Since April 2019 in the 25 – 65 Disability Service, there has been an increase of 37,000 planned hours of domiciliary care and an increase of 22 nursing and residential clients (note: this is a net figure as some clients also leave care during the year, however they tend to be cheaper care packages whereas

the new ones can be extremely complex and high cost, particularly for clients transferring into social care from health-funded Continuing Health Care or Transforming Care).”

- 7.16 To manage the increase costs in Adult Social Care, medium/long term savings will be sought by driving service provision costs down, for example through enabling Occupational Therapy led domiciliary care and increasing Learning Disability and Mental Health Supported living/housing. There will be a review of services provided by external contractors, maximising income and a focus on Localities based working. The council will look to strengthen partnership with health, increase investment from health, continue to invest in prevention and early intervention, drive community led support models building on people and community assets, redesign the workforce and increasing investment in digital solutions. There will also be continued lobbying of government to fund Croydon adequately for services provided.

Gateway Services

- 7.17 Gateway services continue to focus on managing demand for homelessness services and helping residents with prevention measures. Additional funding of £2.8m has been allocated to this service to ensure the service can continue to support the most vulnerable residents, with savings from managing demand and need early expected in adult social care services, children’s social care services and housing.

Savings and Income

- 7.18 The full list of savings and income options included in the 2020/21 budget are set out in Appendix A.
- 7.19 The key department savings and income options included in the draft 2020/21 budget are:-
- 7.19.1 Income generation – due to the reduction in government funding for local government over the last decade Councils have had to operate in a more commercial manner, with income generation being a key element. The draft 2020/21 budget includes over £4m of additional income assumptions, from fees, charges and fines, including additional enforcement.
- 7.19.2 The budget continues to implement our asset investment strategy that was approved at Council in October 2018. Provision has been made in the capital programme for investment in properties that will generated an annual revenue return which will be used to deliver services. This budget assumes that an extra £4m will be generated as a result of investment in commercial assets.
- 7.19.3 The budget assumes a £3m rise in the dividend from Brick by Brick.

8.0 Local Taxation Charge for 2020/21

- 8.1 The council tax change for the Croydon element of the charge for 2020/21 is recommended to be **3.99%** in accordance with Appendix E of the report.

- 8.2 This decision includes a 2.0% increase for the Government's' adult social care precept that was approved as part of the Local Government Finance Settlement. This is contained in Appendix D, with the Band D effect shown in table 10 below.

Table 10 – Local Taxation for 2020/21

Band D	2020/21	Increase	Annual Increase	Weekly Increase
	£	%	£	£
Croydon	1,325.12	1.99%	27.79	0.53
Adult Social Care Precept	126.91	2.00%	27.93	0.54
	1,452.03	3.99%	55.72	1.07

- 8.3 Table 11 gives details of both the increases to the Croydon element of the council tax and the Adult Social Care precept over the last 3 years and the increase being recommended for 2020/21.

Table 11 – Croydon Council percentage increase since 2017/18

	2017/18	2018/19	2019/20	2020/21
Croydon Council Percentage change	1.99%	2.99%	2.99%	1.99%
Adult Social Care Precept	3%	2%	1%	2%

- 8.4 Alongside grant income, local taxation is the other major income stream that impacts on the budget setting of the council. The Collection Fund accounts for taxation from Council Tax and Business rates. Further detail can be found in Appendix C.
- 8.5 **Council Tax base:** The number of domestic properties in the borough from which Council Tax can be collected is described as the Council tax base, and the number is converted into Band D equivalent units. An increase in council tax base will enable a higher level of general fund budget to be supported. The calculation of the Council Tax base is set out in Table 12 below:
- 8.6 It is anticipated that there will be an increases in the Council tax base of 2.9% compared to the 2019/20 base, which will enable further expenditure to be supported in the 2020/21 general fund budget as shown in table 12 below. The Council tax base is adjusted for anticipated collection rates, which are estimated to remain at 97.50% for 2020/21.

Table 12 - Increase in Council Tax Base

	2019/20	2020/21	Change
Number of Dwellings	159,898	164,881	4,983
Conversion of dwellings into Band D equivalent units	132,237	136,133	3,896
Less: anticipated losses on collection	-2.50% -3,306	-2.50% -3,403	-97
Collectable Council Tax Base – net Band D dwellings	128,931	132,730	3,799

	2019/20	2020/21	Change
	£	£	£
Band D charge (Croydon)	1,396.30	1,452.03	55.73
Council Tax Funding (Croydon)	180,028,000	192,727,000	12,699,000

- 8.7 It should be noted that the council tax base is shown net of the impact of Council Tax support scheme. This reduces the council tax funding by £28.5m.

Projected Collection Fund Surplus / Deficit

- 8.8 The Collection Fund surplus / deficit is a combination of the anticipated position of both Council tax and business rates at the 31 March 2020. Surpluses mean more tax is due than was anticipated, whereas a deficit indicates the estimated amount paid was greater than actual tax due in the year.
- 8.9 Council Tax - Croydon's share of an anticipated council tax surplus available in 2020/21 is £0.604m. Whilst there has been a council tax surplus in the last 5 years as a result of tax base growth and improved collection rates, the Council is now recognising the base growth by increasing the precept payment at the start of the year. This reduces any surplus available at the end of the year.
- 8.10 Business Rates – the anticipated position of Croydon's share is a deficit of £1.725m for 2019/20, which will be repaid into the Collection Fund during 2020/21. This is a result of a range of factors, including higher empty premises relief than anticipated. The impact on the general fund is however offset by an additional £1.9m of Section 31 grant, which is compensation from central government for reduced business rates income caused by changes in central government policy.
- 8.11 Any difference between the projected surplus and final surplus for 2020/21 will be carried forward within the collection fund, for consideration in 2021/22's general fund budget.

9.0 Greater London Authority Precept 2020/21

9.1 On 18th December 2019, the Mayor of London announced his provisional proposal to increase his share of council tax by 1.99%, £6.41. The Mayor's key objective in this Budget is to support London's further success, entrepreneurial spirit, thriving economy, extraordinary diversity and creativity, tolerance and openness to the world.

9.2 This proposal was revised following the announcement of the police grant settlement and the provisional increase is now 3.6%, £11.56 which is £5.15 higher than the original provisional announcement in December 2019.

9.3 The key deliverables in this Budget are set out below:

- increases funding to ensure we will have over 31,000 police officers in London;
- supports my efforts to help those most in need cope with the increased cost of living in London;
- pushes ahead with my ambitious plans to make London a cleaner, safer, healthier city through investment to improve London's streets and create better and more accessible public transport;
- continues to tackle London's housing crisis by supporting thousands of new homes for social rent as part of my commitment to start at least 116,000 new genuinely affordable homes by 2022;
- increases funding to the LFB to ensure fire engines continue to arrive at emergency incidents within their targets;
- provides the funding to complete the delivery of East Bank, the arts, cultural and educational district on Queen Elizabeth Olympic Park; and
- reprioritises the development at Old Oak Common in the light of Uncertainties that have crystallised over the past few months.

9.4 The Mayors consolidated budget is set out in table 13 below and the budget will be agreed on 24th February 2020.

Table 13 – Mayors Consolidated Budget 2019/20 and 2020/21

Component Council Tax Requirements	Approved 2019/20 £m	Proposed 2020/21 £m
GLA (Mayor)	67.60	66.6
GLA (Assembly)	2.60	2.6
MOPAC	725.2	767.1
London Fire Commissioner	159.2	168.6
Transport for London	6.0	6.0
Consolidated Council Tax Requirement	960.6	1,010.9
Total Band D council Tax Payable in :		
32 London Boroughs	320.51	332.07

9.5 This overall resultant council tax increase is set out in table 14 below.

Table 14– Local Taxation increase and the GLA Tax increase

Band D	2020/21	Increase	Annual Increase	Weekly Increase
	£	%	£	£
Croydon	1,325.12	1.99%	27.79	0.53
Adult Social Care Precept	126.91	2.00%	27.93	0.54
Greater London Authority	332.07	3.60%	11.56	0.22
	1,784.10	3.92%	67.28	1.29

9.6 The overall increase on the total bill for the residents of Croydon is 3.92%.

10.0 DSG CROYDON

10.1 Following the Spending Review announcement of an additional £7.1 billion in education funding over a three year period from 2020/21, Croydon's DSG allocation has increased accordingly.

10.2 In 2020/21, Croydon will receive £364.306m in funding through the Dedicated Schools Grant (DSG), an increase of £21.3m in funding or 6.2% since 2019/20, compared to 4.3% increase across London and 5.8% nationally.

10.3 This increase in funding follows a decade of real term reductions in per pupil funding for statutory school aged pupils (5 – 16 years old). In January 2020, the Department for Education (DfE) released trend data on school revenue funding revealing that the total amount of funding through specific grants¹, in cash terms, allocated to English schools for 5-16 year olds had grown over the last nine years as the total pupil population has grown. The total funding allocated to schools was £44.5 billion in 2019/20, an increase of 27.4% compared to the £35.0 billion allocated in 2010/11.

10.4 Total funding also grew over this time in real terms (adjusted for price changes using the GDP deflator), increasing by 8.8%. Funding increased in real terms in each year during that period with the exception of a slight fall in 2016/17 compared to 2015/16.

10.5 On a per-pupil basis the total funding allocated to schools for 5-16 year olds, in cash terms, in 2019/20 was £5,940, a 14.8% increase compared to £5,170 allocated per pupil in 2010/11. In real terms, funding per pupil

was broadly flat between 2010/11 and 2015/16 at just over £6,000 in 2019/20 prices. It then fell by 4.2% over 2016/17 and 2017/18, but subsequently increased by 1.9% over 2018/19 and 2019/20, in part as a result of additional funding provided in respect of teacher pension employer contribution costs.

- 10.6 Over a shorter period, in cash terms Croydon's per pupil funding was £6,166 in 2019/20, a 7.1% increase compared to £5,757 allocated for statutory school age pupils in 2013/14. In real terms, funding per pupil over the same period fell by 3%. Croydon's total DSG (excluding the Early Years Block) changes, in cash and real terms, since 2017/18 is summarised in the table 15 below:

Table 15 - Funding per pupil

DSG Block	2017/18 £'m	2018/19 £'m	2019/20 £'m	2020/21 £'m
Schools	241.77	243.87	247.51	262.96
High Needs	58.82	60.21	61.09	66.80
Central School Services		6.18	6.12	5.83
Total DSG (exc Early Years)	300.59	310.26	314.72	335.59
Pupil numbers	50,424	50,777	51,037	51,023
Per pupil funding	£5,961.27	£6,110.29	£6,166.47	£6,577.45
Funding change	1.1%	2.5%	0.9%	6.7%
Inflation (CPI)	1.9%	1.8%	2.0%	1.8%
Real terms funding change	-0.8%	0.7%	-1.1%	4.8%

¹ Dedicated schools grant (including the schools block, most of the high needs block and the central school services block (CSSB); but excluding the early years block and post-16 funding in the high needs block); Pre-16 high needs place funding in non-maintained special schools, special and alternative provision free schools; Pupil premium; Supplementary free school meals grant; Teachers' pay grant (TPG); and Teachers' pension employer contribution grant (TPECG).

Schools Block

- 10.7 The Schools Block 2020/21 allocation is £262.963m (before recoupmnt), which is an increase of £15.451m since 2019/20 mainly to accommodate the overall increase in Education funding for 2020/21.
- 10.8 The minimum funding guarantee (MFG) will continue to be applied, hence every school or academy will see an increase in funding of at least 0.5% per pupil compared to its 2019/20 budget (this excludes sixth form funding). MFG protects schools' budgets from large changes in funding based on factor changes. It protects on a £/per pupil basis. This means it will not protect a school against falling roll numbers.
- 10.9 The NFF provides two per pupil funding rates, one for primary pupils and one for secondary pupils. In 2020/21, the respective funding rates are £4,504.90 and £5,986.57. The 2019/20 rates per pupil were £4,293.34 for primary pupils and £5,460.8 for secondary pupils. Croydon is, on a per pupil basis for primary and secondary pupils, ranked 24th out of 32 London boroughs. This ranking has risen by one place since 2019/20. Although Croydon has seen an increase in its funding allocation, boroughs nearest to us have also received an increase. This results in the continuation of

the gap between how much extra a pupil in one of our nearest neighbours is funded compared to Croydon.

Early Years

10.10 The Early Years 2020/21 indicative allocation is £28.707m an increase of **£0.443m** since 2019/20 again mainly to accommodate the overall increase in Education funding for 2020/21. The final allocation will be adjusted following the January 2020 census.

10.11 The Early Years block allocation for Croydon is based on a nationally set rate of a:

- £5.21 hourly rate for three and four year olds; and
- £5.74 for two year olds

This has increased from funding rates of £5.13 and £5.66, respectively.

The allocation will be updated following the January 2020 census. The proposed rates based on the indicative 2020/21 allocation are:

- A (provisional) increase in rate for three and four year olds in 2020/21 to £4.87 (£4.73 in 2019/20)
- £5.74 for two year olds

High Needs

10.12 Funding for High Needs provision continues to be area of increased budget pressure nationally and Councils including Croydon have developed Special Educational Needs and Disability (SEND) strategies to ensure services are delivered efficiently and effectively to meet demand and need. Croydon Council has reviewed SEND demand, practice and provision and engaged with stake-holders, including parents, young people and schools to inform the development of five year SEND Strategy that was implemented in 2019/20.

10.13 The High Needs 2020/21 allocation is £66.804m, which is an increase of £5.718m since 2019/20. This allocation is based on the October 2019 census, with further adjustments to be made for January 2020 census.

10.14 At as the end of 2018/19, the High Needs block forecast overspend was £13.041 million (including previous years overspends). The 2019/20 Quarter 3 High Needs Block forecast overspend is £5.351 million, bringing the cumulative High Needs deficit to £18.392 million.

10.15 The budget pressures are principally attributable to the increase in demand, which has led to an over-reliance on the independent / non-maintained sector, due to shortage of local state funded special schools and / or resourced provision. This is being addressed and a strategy developed to move to a more sustainable framework. Table 16 below illustrates the increase in the number of Education and Health Care Plans compared to the increase in High needs funding since the introduction of the EHCP regulations in 2014/15.

Table 16 Impact of EHCP regulations

Year	Funding £'m	Funding Change	Number of EHC Plans	Percentage increase in number of EHC Plans	Percentage of Total Pupils
2014/15	48.90		2,044		4.5%
2015/16	51.41	5.1%	2,074	1.5%	4.5%
2016/17	51.24	-0.3%	2,217	6.9%	4.8%
2017/18	51.63	0.8%	2,491	12.4%	5.0%
2018/19	58.82	13.9%	2,693	8.1%	5.3%
2019/20	60.21	2.4%	2,999	11.4%	5.9%

The increase in 20/21 will mean there will have been a 24% real terms increase in funding since 2014/15. However, over the same timescale, we will have seen an increase in EHC plans of over 50%

- 10.16 Croydon Council has a long term plan to increase special schools, Enhanced Learning Provision and post 16 specialist places, including a new free special school with 150 places opening in September 2021. Through this strategy the intention is to provide an effective pathway of local education provision for young people which is an efficient use of resources and supports young people in becoming independent in or near their local community.
- 10.17 That together there is an approach that manages reliance on Education, Health and Care Plans (EHCP) for children with lower levels of SEND, reduces demand and ensure placements of children are delivered through the continuum of state-funded education provision at efficient values. The increase in the number of EHCP plans following the change of regulations has also had a financial impact on the Council's revenue budget providing home to school transport, with cost rising annually.
- 10.18 The increase in EHCPs has a direct correlation on the increase in students eligible for travel assistance.

Table 17 – Analysis of SEN Travel

Academic year	Number of students on Traditional transport	Number of students on a PTB	Number of students travel trained
2015/2016	1121 not including post 16	79	41
2016/2017	1127 not including post 16	84	56
2017/2018	1156 not including post 16	88	63
2018/2019	1203 not including post 16	96	24
2019/2020	1258 (+ 100 post 16)	105 to date	12 to date

- 10.19 A number of Innovative strategies continue to be implemented to try and deal with the unprecedented demand for SEN travel assistance which include
- Investment in our in-house travel training service, gaining an excellent reputation from other boroughs.
 - Route sharing with neighbouring boroughs
 - Amendment of the Croydon's post-16 travel policy in 2019 following a detailed consultation process which allows for the default position of a personal transport budget for 16-18 year old eligible students who are not suitable for independent travel training.
 - The Promotion of Personal transport budgets
 - Review of high cost, complex cases
 - Joint strategic working with SEN, Schools and parents (placement decisions)
- 10.20 The 2020/21 budget has allocated a further £2m to fund transport costs.

Central Services Schools

- 10.21 In 2018/19, the NFF created a fourth block within the DSG called the Central Services Schools Block (CSSB). This block is made up of two parts – Reported spend on Ongoing Functions and Reported spend on Historic Commitments.

10.22 Ongoing Functions

The Reported spend on Ongoing Functions includes services such as School Improvement and Education Welfare, totals £2.831 million.

The 2020/21 allocation for ongoing functions has reduced by £0.073 million based on a reduction in the CSSB unit of funding decreasing by 2.5% year on year from £56.91 per pupil in 2019/20.

10.23 Historic Commitments

The Reported spend on Historic Commitments consists of the prudential borrowing costs for SEND provision and historic teacher pension costs, totalling £2.570 million, a 20% reduction from 2019/20 equating to £0.643 million. This 20% reduction is in line with the ESFA's previously stated policy of reducing the funding that LAs receive for historic commitments made prior to 2013/14.

- 10.24 Following representations made to the ESFA on the impact of this significant reduction – particularly on the prudential borrowing costs of a capital programme with a pay-back period of 10 years (up to 2025/26) - the ESFA have restored the allocation as it relates to the prudential borrowing costs and it is anticipated that the allocation as it relates to historic teacher pension costs will also be restored. The ESFA have not yet determined how they will continue to unwind this in future years and commit to ensuring information about future years will be provided with as much notice as possible.

10.25 The 2020/21 budget for the Schools, Early Years, High Needs and Central School Services Blocks was agreed by Schools Forum on the 20th January 2020. The Schools Block funding formula was submitted to the DfE on the 21st January 2020 using the budget principles agreed by Schools Forum over the autumn period. Once agreed by the DfE the detailed school budgets will be finalised and these will be issued to schools in March 2020.

DSG Deficit Recovery Plan

10.26 As a condition of the 2019/20 DSG, LAs with an overall DSG deficit of one per cent or more at the end of the previous financial year were required to submit recovery plans for the deficits by 30th June 2019.

10.27 Croydon submitted a plan to recover the 2018/19 in-year High Needs Block deficit of £5.612 million over a five year period to the DfE, as agreed with the School Forum and Chief Finance Officer and endorsed by this Sub Committee in July 2019.

10.28 The five-year recovery period is in line with the five year SEND strategy with key areas to be targeted. The intention is to improve our SEND provision while reducing the expenditure in order to ensure that we can fulfil our statutory duty to be meet the needs of all pupils with special education needs.

10.29 The DfE letter of response informed Croydon that as the High Needs Block allocation for 2020/21 would be increased and that subsequent year's allocations for 2021/22 and 2022/23 were under review, the Council would need to review and revise the previously submitted recovery plan.

10.30 A detailed breakdown of the revised recovery plan, including High Needs Block budget setting for 2020/21 will be submitted to the High Needs Working Group in January 2020 in preparation for Schools Forum in the same month. It is anticipated that the Council will receive clarification about future High Needs Block funding allocations early in the spring of 2020, which will inform strategic deployment of resources with greater certainty.

11.0 Capital Budget – 2020/2023

11.1 The council's capital programme is essential to allow us to maintain our assets and deliver new infrastructure schemes within the Borough. The key areas of capital spend include:-

- Housing
- Asset Investment
- Highways
- Education
- Libraries and leisure programme and
- Environmental schemes

11.2 The budget for 2020/21 assumes new borrowing to fund projects that require debt. The assumption overall is that in 2020/21 there will be borrowing of circa £270m, this includes investment in housing of over

£45m and an additional amount of **£2.1m** has been added to the revenue budget to fund the associated interest payments.

11.3 Our Capital Programme remains a key part of the overall budget setting process. The draft programme for 2020/23 is being finalised and will be presented as part of the Budget report to cabinet and full Council in February and March 2020. Borrowing is undertaken for specific schemes and is prioritised where it can have a net positive impact on the revenue budget and there is a clear repayment plan for the capital. Borrowing can be clearly split into four elements:

- **Borrowing – Revolving Investment Fund** – normally for housing and on lent at a commercial rate where debt is repaid on completion of the project.
- **Borrowing – Growth zone** – debt is repaid from future business rates growth.
- **Borrowing – Asset Investment strategy** – Borrowing decisions made in line with the agreed strategy and where the asset generates a positive net return. Debt would be repaid in future from asset value.
- **Borrowing – General** – Any other priority capital schemes that cannot be funded from external sources. Allowance needs to be made in the revenue budget for repayment of capital and payment of interest.

Table 18 – Capital Programme

Description	Budget 2020/21	Budget 2021/22	Budget 2022/23	Total 2020/21 to 2022/23
	£000's	£000's	£000's	£000's
Angel Lodge conversion to MHO	100	0	0	100
Disabled Facilities Grant	2,400	2,400	2,400	7,200
Provider Services - Extra Care	500	-	0	500
Health, Wellbeing and Adults	3,000	2,400	2,400	7,800
Education - Fixed Term Expansions	59	90	0	149
Education - Fire Safety Works	1,000	0	0	1,000
Education - Major Maintenance	2,882	2,000	2,000	6,882
Education - Miscellaneous	1,444	228	0	1,672
Education - Permanent Expansion	1,091	959	0	2,050
Education - Secondary Estate	0	0	0	0
Education - SEN	18,807	8,568	0	27,375
Children, Families and Education Sub Total	25,283	11,845	2,000	39,128
Affordable Homes programme	40,000	0	0	40,000
RIF - Brick by Brick Borrowing	75,510	107,700	0	183,210
Community Ward Budgets	576	576	576	1,728
Devolution initiatives	912	912	912	2,736

Electric Vehicle Charging Points - Council Element	2,400	2,400	0	4,800
Empty Homes Grants	500	500	500	1,500
Feasibility Fund	330	330	330	990
Fiveways junction	0	3,000	2,000	5,000
Growth Zone	15,000	36,000	32,000	83,000
Grounds Maintenance Insourced Equipment	1,500	0	0	1,500
Highways - Maintenance Programme	6,000	6,000	6,000	18,000
Highways - Maintenance Programme	567	567	567	1,701
Highways - flood water management	565	535	505	1,605
Highways - bridges and highways structures	575	9,950	800	11,325
Highways - Tree works	299	179	179	657
Libraries Investment	650	1,500	0	2,150
Neighbourhood Support Safety Measures	50	0	0	50
New Addington wellbeing centre	3,000	12,000	0	15,000
Sustainability Programme	2,500	2,500	2,500	7,500
Parking	2,825	475	475	3,775
Safety - Digital Upgrade of CCTV	250	0	0	250
SEN Transport	1,460	0	0	1,460
TFL - LIP	2,462	2,000	2,000	6,462
Walking and cycling strategy	750	0	0	750
Waste and Recycling - Don't Mess with Croydon	768	0	0	768
Place sub-total	159,449	187,124	49,344	395,917
Asset Acquisition Fund	100,000	0	0	100,000
Corporate Property	2,000	2,000	2,000	6,000
ICT Refresh & Transformation	6,200	4,800	4,800	15,800
People ICT Programme	2,014	1,521	0	3,535
Uniform ICT upgrade	3,600	0	0	3,600
Resources sub-total	113,814	8,321	6,800	128,935
General Fund	301,546	209,690	60,544	571,780
Major Repairs and Improvements Programme	26,771	26,771	26,771	80,313
Special Transfer Payments	180	180	180	540
BxB Properties Acquired	8,750	13,000	0	21,750
HRA Total	35,701	39,951	26,951	102,603
Capital Programme Total	337,247	249,641	87,495	674,383

Table 19 DRAFT Capital Programme Resourcing 2020/21 to 2022/23

Funding	Budget 2020/21	Budget 2021/22	Budget 2022/23	Total 2020/21 to 2022/23
	£000's	£000's	£000's	£000's
ESFA	9,000	5,365	-	14,365
School Condition Funding	2,000	2,000	2,000	6,000
Disabled Facilities Grant	2,400	2,400	2,400	7,200
TFL LIP and other funding	2,462	2,000	2,000	6,462
NHS	5,000	-	-	5,000
CIL	6,800	6,800	6,800	20,400
CIL local meaningful proportion	576	576	576	1,728
ECVP external funder	600	600		1,200
Borrowing	42,198	46,249	14,768	103,215
Borrowing - (RIF) - BXB and Affordable Homes	115,510	107,700	-	223,210
Borrowing - Asset Acquisition Fund	100,000	-	-	100,000
Borrowing - Growth Zone	15,000	36,000	32,000	83,000
GENERAL FUND	301,546	209,690	60,544	571,780
Major Repairs Allowance	12,506	21,209	21,209	54,924
HRA - Revenue Contribution	11,150	1,742	1,742	14,634
HRA - Use Of Reserves	3,295	4,000	4,000	11,295
GLA Funding of BxB Properties	3,500	5,200	0	8,700
Borrowing BxB Properties	5,250	7,800	0	13,050
HRA FUNDING	35,701	39,951	26,951	102,603
TOTAL FUNDING	337,247	249,641	87,495	674,383

UNDER/OVER FUNDING OF PROGRAMME				
	-	-	-	-

- 11.4 The capital programme detailed in tables 18 and 19 above do not include expected slippage from the 2019/20 capital programme. Estimated slippage is detailed in the quarter 3 financial monitoring report at agenda item 3B. It is currently estimated that there will be scheme slippage of approx. £159m but this is subject to any changes arising between now and the year end. The final slippage will be reported to this Cabinet as part of the annual July Financial Review report once the financial year has closed. Schemes which are funded using a combination of external grants and borrowing will only be undertaken once the external funding is secure; amounts of council borrowing shown are indicative.
- 11.5 There are a number of key projects supported in the 2020/21 programme, including:

- 11.5.1 Affordable Housing Scheme. Following the completion of the ETA 1 and ETA 2 property acquisition schemes, where the Council embarked on a street property acquisition programme, the authority is developing its business case for Phase 3. The ambition is for a new round of property acquisitions, with the option of them being funded and held within the HRA unlike the previous acquisitions which were transferred to the Croydon Affordable Homes. This is because central government has now lifted the borrowing cap on the HRA, which enables investment via the HRA directly into Council housing subject to financial viability. The Affordable Housing acquisition scheme will enable the Council to respond quickly to the ongoing need for additional housing stock which manifests in significant pressures within temporary accommodation budgets. The priorities for the Housing and Homelessness Strategy were set out to Cabinet in October 2019. Cabinet authorised the commencement of a process of statutory consultation and engagement with key external stakeholders to develop the strategy. As part of this work, the Council will develop a programme of investment into new homes for a range of different housing needs. The Affordable Housing Scheme will form part of this strategy. We expect the business case for phase 3 of the Affordable Housing Scheme to be submitted to Cabinet in March 2020.
- 11.5.2 Continued investment in the school estate from 2020/21 to 2022/23 of £27.4m. This includes £15.67m for the New Addington Valley SEN School on the Timebridge site which the Education and Skills Funding Agency (ESFA) commissioned Croydon to lead on. The school will offer 150 places to children aged 2-19 years, with autism and learning difficulties, with the aim of providing a local pathway from the early years to adulthood. The proposed date for the opening of the school September 2021. The project will be fully funded by the ESFA under its “Invest to Save” programme.
- 11.5.3 Continued investment in Croydon’s libraries, with 2020/21 being the second of a three year programme. The Council has an ambitious programme of work over the next 4-10 years that will transform Croydon’s libraries into a modern library service to meet the ambitions for the service and contribute to Croydon Council’s outcomes, priorities and locality based delivery.
- 11.5.4 Continued investment in Public Realm and Highways Infrastructure. This scheme will enable investment in the public realm and highways to ensure that the infrastructure is fit-for-purpose and achieves our vision making use of the opportunities presented by the Croydon Growth Zone. The Council will need to increase its borrowing to maintain the highways network following reduction in TFL funding. Additional borrowing has been included to support the work needed to maintain bridges and other key structures and to meet our legal obligations under the Flood Water Management Act.
- 11.5.5 Continued investment in the Council’s ICT infrastructure to provide a fit for purpose service to staff and residents remains a priority. Approved in our programme last year, the continuation of:
- £10.4m from 2019/20 over 3 years for the full implementation and improvements of the ICT software to

support and drive efficiencies in the Housing, Adults and Children's services.

- £4.2m from 2019/20 over 3 years for the procurement of Uniform System, a key line of business system used across the Planning and Strategic Transportation, Building Control Highways, Environmental Health and Licencing services.

11.5.6 Asset Acquisition Fund. Table 18 indicates that the Fund is to increase in 2020/21, and there is a recommendation for Council to this effect. More broadly, as part of the 2018/22 Medium Term Financial Strategy, Council approved the creation of the Asset Acquisition Fund in September 2018. This Asset Investment Strategy detailed how decisions about acquisitions would be made. Specifically, the Strategy included set criteria for assessing the investment opportunities, with one of the criteria being location. The investment criteria will be reviewed to ensure that they remain in line with the Council's key objectives. This review is being delegated to the Cabinet Member for Finance and Resources and the Executive Director for Place. Any changes will be recommended to Council and Cabinet as part of the July review.

11.6 The HRA capital programme set out in Table 18 shows the planned capital expenditure in 2020/21 is £35.7m and total is £102.6m over the 3 years to maintain homes to a decent homes standard and purchase new BxB homes using GLA grant under its Building Council Homes for Londoners programme to fund part of the cost:

11.6.1 Work is continuing to ensure fire safety within residential blocks owned or leased by the Council is compliant and meets current standards in order to provide safe homes for our residents. A £5m reserve will be set aside from existing reserves, with no additional borrowing required for this amount.

11.6.2 The capital programme includes £26.7m planned for ongoing and essential works identified, these include replacement/upgrade of flat front entrance doors, installation/ upgrade of emergency lighting and fire alarm systems where required and blocks with spandrel panels which may need to be replaced.

11.7 No new capital schemes will be added to the programme without a business case being approved and a report being submitted to cabinet and then the funds will be released.

Revolving Investment Funding (RIF) for Housing and other development

11.8 Cabinet previously agreed to set up a RIF to support the delivery of our Growth Promise. The RIF is acting as funder both to the development company Brick by Brick and the Housing LLP's set up in conjunction with the charity Croydon Affordable Housing. The figures shown in the table above are shown on a net basis. The Council may lend to Croydon Affordable Homes if the company cannot secure debt from other sources. Brick by Brick will increasingly recover its costs through sales receipts and enable borrowing to be repaid, or re-invested into further schemes.

- 11.9 The RIF lends at commercial rates whilst borrowing at the lower rates which are available to the council. The net returns estimated over the next 3 years are £2m per annum and are included in the revenue budget.

Growth Zone

- 11.10 The Croydon Growth Zone is a Tax Incremental Financing (TIF) model which harnesses business rates uplift to enable borrowing to fund infrastructure. The Croydon Growth Zone programme consists of a range of transport, public realm social infrastructure and technology projects as reported to Cabinet in December 2017. They are deemed essential to mitigate the impact and maximise the opportunities of the growth planned (as detailed in the Croydon Local Plan 2018, Croydon Opportunity Area Planning Framework 2013 and the London Plan) in Croydon for the benefit of existing and future residents, businesses and visitors.
- 11.11 As reported to Cabinet in February 2020 in more detail, and subject to approval, the Growth Zone programme has been re profiled, with the total funding required for 2019/20 to 2022/23 moving from £167.8m to £88m. Table 20 below sets out the reprofiled programme.

Table 20 – Growth Zone Projects

Project	2019/20 (£'000s)	2020/21 (£'000s)	2021/22 (£'000s)	2022/23 (£'000s)
Transport	1,736	4,775	9,730	16,800
Public Realm	461	4,297	13,580	6,059
Construction				
Logistics	240	687	345	205
Parking	300	825	0	0
Culture	1,000	1,000	750	750
Smart Cities	314	1,596	811	0
Social Infrastructure	450	1,200	9,950	6,800
Croydon Works	400	400	0	0
Energy	100	220	834	1,386
TOTAL	5,000	15,000	36,000	32,000

Section 106 and Community Infrastructure Levy (CIL)

- 11.12 The Council, as Local Planning Authority, when required secures Section 106 Agreements as a requirement of the grant of planning permission to secure the mitigation measures necessary to make a development acceptable in planning terms. This includes securing financial contributions towards infrastructure types and projects.
- 11.13 The Council's Section 106 balance as at December 2019 was £10.3m. This balance is sub-divided into the heads of terms for infrastructure types and projects as set out in the parent Section 106 agreements. This understanding is important as Section 106 income can only be assigned in accordance with the parent Section 106 agreement in terms of infrastructure type, project and / or the location defined in the agreement.

- 11.14 Set out below in table 21 is the Council's detailed Section 106 balance sheet.

Table 21 – S106 breakdown of funds

Section 106	Balance £'000
Housing	4,823
Transport	3,496
Education and employment	298
Open Spaces and Public Realm	615
Other	1,112
TOTAL	10,343

- 11.15 In terms of future Section 106 assignment, our affordable housing income will be assigned to align with the Council's emerging housing funding strategy. The Council is actively working on how the remainder of the Section 106 moneys can be used to benefit the people of Croydon.
- 11.16 The Council introduced the borough's CIL in April 2013. The Council has been collecting the borough's CIL since this date. As a consequence of requiring the grant of planning permission and commencement of development post April 2013 for the CIL to be liable for payment, the income received since the introduction has gradually increased.
- 11.17 The current balance for 2019/20, before planned expenditure of £7.2m as at 31/12/19 was £18.1m, including the 5% administration fee and 15% Local Meaningful Proportion for 2019/20.
- 11.18 Regulation 123 of the Community Infrastructure Levy Regulations 2010 (as amended) restricts the use of CIL to ensure no duplication between CIL and planning obligations (Section 106).
- 11.19 The Council's Regulation 123 list indicates the infrastructure projects or types that will, or may be, wholly or partly funded by CIL. This broadly covers all infrastructure projects and types, except for sustainable transport and highway that are secured through Section 106 and / or Section 278 highway agreements.
- 11.20 In addition to allocations in 2019/20, and based on current CIL balances and forecast CIL receipts, it has been assumed that £7.3m of CIL money will be available to fund the capital programme. The specific projects to enjoy borough CIL funding will be defined through consultation with lead Cabinet Members. The specific project assignment will occur post the approval of this report. We will be reviewing the CIL scheme over the next few months, and then consulting on any potential amendments to the current scheme.
- 11.21 The Community Infrastructure Levy (Amendment) Regulations 2013 allow for up to 15% to be spent on the provision, improvement, replacement, operation or maintenance of infrastructure; or anything else that is concerned with addressing the demands that development places on Croydon. This is commonly referred to as the Locally Meaningful Proportion.

11.22 The CIL Local Meaningful Proportion as at 31/12/19 was £3.580m. The capital programme has assigned the Local Meaningful Proportion to fund the Community Ward Budgets.

Housing Programme

11.23 The Council is committed to delivering affordable housing in the borough through a range of measures:

In order to accelerate the delivery of new homes for Croydon residents, the Council established Brick by Brick, an independent development company. Brick by Brick receives borrowing and equity investment from the Council. It is expected to deliver a total of 522 affordable rent units in the current programme by 2020/21, with a further 800 units in the pipeline programme.

- The Council entered in to three separate limited liability partnerships (LLPs) with Croydon Affordable Homes, a local charity to develop units across the borough and street purchased properties as affordable rented homes. In order to fund their acquisition activities, the Council gifted retained right to buy receipts to the LLPs, with the Council acting as lender for the balance of the funds needed. The Council has completed phase 1 and 2 of its street property acquisition programme for the provision of affordable rent. This has enabled acquisitions of 346 street properties for the provision of affordable rent in the borough without public subsidy.
- The Council has been awarded GLA grant funding under the Mayor of London's £1 billion Building Council Homes for Londoner's programme for social housing. The grant funding has been used to part fund the purchase of new build Brick by Brick properties, transferring them into the HRA.

Repair and Improvement of council stock

11.24 A key aim for the council has been the government target of bringing 100% of social homes up to the decent home standard. Croydon has invested in its HRA properties to ensure that it meets, and continue to achieve the decent homes standard. The Council has achieved a constant 99-100% of homes maintained at the decent home standard over the last seven years. Homes which are currently decent will fall below the standard, for example as facilities age and with wear and tear, the Council will need to continue to invest in the stock to keep homes up to standard over time. Indeed, the social housing regulator has proposed a revised home standard which will reflect the government's direction that social landlords should comply with the decent home standard with ongoing effect. The council continues to invest in maintenance and improvement works in order to maximise the life of the assets

11.25 The HRA budget for proposed major repairs and improvement programme for 2020/21 will remain at circa £27m, although available budget unspent at the end of 2019/20 will be carried forward, taking the estimated total spend to £30m. It should be noted that there is also a separate programme of responsive and cyclical repairs which are resourced through revenue funding totalling £12m. In order to enable the Council to respond quickly

to any additional or changing fire safety regulations, a £5m reserve has been ringfenced in the HRA account.

Capital Allowance (HRA)

- 11.26 Local authorities are required to establish a 'Capital Allowance' within the HRA. This is a notional amount set by the Council. The main considerations in setting the allowance are to ensure that it will exceed the anticipated receipts during the year and that total investment in affordable housing needed within the borough exceeds the allowance. This is in order to justify 100% use of the receipts.
- 11.27 The Capital Allowance for 2019/20 was set at £10m. It is recommended that the Capital Allowance for 2020/21 is set again at £10m. This will enable the Council to keep 100% of the receipts of any HRA disposals of land or property during the year for housing investment purposes. The Capital Allowance will continue to be reviewed annually as part of the process for approval of the Council's Housing Investment Programme and will include a report back on the previous year's activity.

12.0 Housing Revenue Account (HRA)

- 12.1 The Housing Revenue Account (HRA) is a ring-fenced account used to manage income and costs associated with managing the Council's owned housing stock and related assets which includes shops and garages on council housing estates. It is funded primarily from tenants' rents and service charges. The services provided to tenants and leaseholders which includes responsive repairs, management and supervision services and caretaking as examples are resourced from this account.
- 12.2 Croydon's HRA consists of approximately 13,700 homes. In addition to the HRA, there are approximately 800 homes that are managed on behalf of the General Fund, Private Landlords and Croydon Affordable Homes. These properties similarly require repair, maintenance and investment to maintain good quality accommodation, and offer temporary accommodation to families most in need.
- 12.3 Longer term planning for the HRA is continuing to take place through the 40-year business plan which is updated annually to reflect changes in legislation and assumptions which underpin the financial projections. This includes the impact of increasing rents by CPI+1%, which will enable the HRA to be more financial sustainable. The lifting of the HRA borrowing cap will also enable the Council to consider developments funded directly by the HRA.
- 12.4 The budget for 2020/21 shows a balanced position as required by statute and will be reported with the proposed rent and other charges to the Tenants and Leaseholders Panel on the 11th February 2020. A draft budget for the HRA for 2020/21 can be found in the Budget Book in Appendix B.

- 12.5 All investment in new-build is currently being undertaken outside of the HRA by either the Council's Development Company, Brick by Brick, or other partners.
- 12.6 Croydon Affordable Homes (the charity set up by the Council in partnership to deliver affordable rented properties across the borough) will be renting out local homes at a maximum of 65% of the market rent to borough residents and remaining units will be available through shared ownership.
- 12.7 Prior to the announcement, the introduction of self-financing for the Housing Revenue Account (HRA) in April 2012 was accompanied by a limit on the amount of housing debt that each authority could hold. Croydon's current HRA debt is £324m with a headroom of £11m. The limitations this generated for the HRA business plan resulted in many authorities (including Croydon) seeking to borrow to support affordable housing outside the HRA.
- 12.8 The Council is using its wholly owned development company, Brick by Brick (BxB), to bring forward housing led developments and Housing LLP, Croydon Affordable Homes (CAH) to increase the provision of social and affordable housing in the borough for the benefit of residents. Funding for these schemes is secure through the source that provides value and where appropriate the Council provides the required funding from its Public Works Loan Board (PWLB) borrowing, with repayments including interest.

Housing demand

- 12.9 It is considered that for at least the next 10 years that the housing market in London and the South east will be characterised by rising demand and increased barriers to entry caused by rising house prices, rising rents and population growth. Beyond 10 years it is difficult to predict with any certainty what housing policy will be in place or what structural housing market changes may have occurred.
- 12.10 The mix of new housing supply continues to be influenced by numbers of applicants on the Council's housing register locally and the forecasts of future housing need.
- 12.11 The budget position of the HRA is subject to continued uncertainty in light of further policy proposals that have been issued by the government. The Council is awaiting the final outcome of the legislative process followed by detailed guidance still to be issued by government.
- 12.12 The 'A new deal for social housing' Green Paper consultation outcome is awaited. Recent changes and proposals impacting HRA are set out below.
- The government has confirmed that from 2020/21 rent increases will apply at CPI+1% (Consumer Price Index) on social housing rented properties which is equal to 2.7%
 - The government has proposed making Right to Buy (RTB) receipts to be available for 50% of social rented new build costs rather than 30%. We are waiting for the government's final decision on this.

- The government has proposed extending use of existing RTB receipts to 5 years with new receipts being available for 3 years. We are waiting for the government's final decision on this.

12.13 However, assumptions about these policy changes and the current legislation, % increase in rental income, have been incorporated into the 40 year business plan and annual budget setting. These are explained below:

Right to Buy

12.14 Croydon Council entered into a retention agreement with the government in April 2012. Under the terms of the agreement, the government requires that local authorities can only retain the receipts from right to buy (RTB) sales if they spend it within three years of retention to create new stock by match funding the purchase of this new supply on a 70:30 basis.

12.15 The implication of this is that the RTB receipts can only fund 30% of new property development or acquisition costs with the remaining balance of 70% funded through the council's HRA or other resources. Interest is repayable to the government on retained receipts not used within 3 years.

12.16 The Council's Housing LLP has used retained RTB receipts which the HRA had been unable to use due to the limited resources in the HRA before the government announced the lifting of the borrowing cap, with the Council acting as lender for the balance of the funds for the purchase of the leases and development of the sites. As explained above, if the Council did not use the retained RTB receipts in this manner, it would need to repay the unused receipts to central government with interest.

12.17 The current 2020/21 HRA budget and business plan assumes there will be 80 right to buy sales in the year. As well as the loss of an asset to the HRA, this impacts on the level of rents collected year on year and therefore the availability of funds to match the 70:30 requirement.

12.18 The table below shows the RTB sales since 2012 compared to the assumptions in the Self-Financing (SF) settlement.

Table 22 – RTB sales since 2012

	Actual Sales (Forecast from 2019/20)	Assumed Sales (in SF Settlement)
2012/13	36	14
2013/14	51	17
2014/15	135	19
2015/16	143	20
2016/17	148	20
2017/18	90	20
2018/19	83	20
2019/20	80	20
2020/21	80	20
2021/22	80	20
Total	926	190

Rent Setting and Changes

- 12.19 The Welfare Reform and Work Act 2016 requires all registered providers of social housing in England to reduce rents by 1% a year for four years from 2015/16 levels to 2019/20. This reduction commenced in 2016/17, making 2019/20 final year. Rents for new tenants must also reflect the 1% per annum reduction. Central government has announced that rents can increase from 2020/21, by CPI + 1% which is equal to 2.7%.
- 12.20 Where tenants are eligible for receipt of Housing Benefit, the level of benefit will reflect the lower rent. However, a small number of tenants may be subject to the overall benefit cap. The introduction of Universal Credit in Croydon has begun to have an impact on rent collection rates. Rates are likely to continue to drop as tenants move from receiving housing benefit to universal credit when they experience a change in circumstances, impacting on the levels of bad debt that the Council must provide for.
- 12.21 The cumulative reduction in rents has resulted in the HRA has needing to make corresponding savings in expenditure and reduction in its annual spending by a total of £13.0m over the four-year period in order to maintain a balanced budget position.
- 12.22 Social rents in Croydon are currently approximately 32%-35% of the private sector equivalent, as shown in the Table below. New build council properties are let at an affordable rent which is based on the GLA guidance for London at 65% of the comparable private sector market rent.

Table 23 – Comparison of rents in Croydon

Property Type	Average weekly Council rent 2019/20	Average weekly Council rent 2020/21	Current average private sector weekly rent	Council rent as % of private sector
1 bed	£84	£86	£252	34%
2 bed	£102	£105	£321	33%
3 bed	£124	£127	£399	32%

Service Charges

12.23 It is proposed that service charges increase by 2% as they have not increased since 2017/18. This will ensure that the level of service charge reflects the costs incurred. A full review of the costs will take place in summer 2020.

12.24 The charges for 2020/21 will therefore be:

Table 24 – 2020/21 Tenant Service Charges

	2019/20	2020/21	Change
Tenant Service Charges			
Caretaking	£10.18pw	£10.20pw	£0.20pw
Grounds Maintenance	£2.09pw	£2.14pw	£0.05pw

Heating charges

12.25 Only a small number of tenants use communal heating systems and are charged a fixed weekly amount for the gas they use. Apart from the Handcroft Road Estate, all other schemes are retirement housing schemes for older people. Heating charges will be adjusted to ensure that they align to actual costs incurred. This will result in some increases and some decreases for tenants of no more than 5%.

Garages and parking spaces

12.26 Rents for garages and parking spaces were not increased in 2019/20 and it is proposed that no increase will be applied for 2020/21. As a number of garages have been disposed of in recent years the rental income budget is reduced by £135k, reducing overall garage rental income. It is proposed that no increase will be applied for 2020/21.

Table 25 – 2020/21 Parking and Garage Charges

	2019/20	2020/21	Change
Parking Spaces			
Tenants	£7.00pw	£7.00pw	£0.00pw
Non-Tenants	£9.62pw	£9.62pw	£0.00pw
Garages			
Avg. Rent*	£13.13pw	£13.13pw	£0.00pw

Voids and Bad Debts

- 12.27 The loss of income associated with void properties is assumed at 0.9% for 2020/21.

13.0 Treasury Management

- 13.1 The Director of Finance Investment and Risk (S151 Officer) is responsible for setting up and monitoring the Prudential Indicators in accordance with the Council's Capital Strategy. The details are set out in the Treasury Management Strategy which is recommended to Cabinet for approval as a separate item on this agenda.

14.0 Statement of the Section 151 Officer on reserves and balances and robustness of estimates for purposes of the Local Government Act 2003.

- 14.1 Section 25 of the Local Government Act 2003 requires the Chief Financial Officer (CFO) to report on the robustness of the budget estimates and adequacy of the planned reserves when the council tax decision is being made by the Council, this forms part of the statutory advice from the Section 151 officer to the Council in addition to their advice throughout the year in the preparation of the budget for 2020/21. The Chief Financial Officer and Section 151 Officer statutory responsibility resides with the Director of Finance, Investment and Risk. This is her statement which meets the Section 25 requirement of the Act.
- 14.2 All Members of the Council have been advised of the financial challenges the Council faces over the next financial year, the medium and longer term. The levels of government funding for 2020/21 have been clearly identified in this report and it must be recognised and understood that a one year funding settlement creates a level of uncertainty and therefore creates a financial planning risk.
- 14.3 Until 202/21 we have experienced substantial reductions to Local Government funding. 2020/21 has seen a slight increase to funding levels, while tis is welcome we will need to continue to undertake an ongoing in-depth review of the way we work and the way we deliver services. In taking decisions on any budget all Members must first and foremost understand the underlying funding changes which the Council faces and set these associated decisions within the context of the overall financial environment the Council faces.
- 14.4 These continue to be very challenging times for local government and therefore it is certain that further difficult choices will be required over the coming budget cycle if the Council is to maintain a continued solid financial foundation and achieve the delivery of a balanced outturn in 2020/2021 and in future years. Continuous improvements have been made in the Council's overall financial standing demonstrated through the ability to maintain general fund reserves during these challenging times and the Council's ability to manage the significant in-year risks in a corporate and planned way. The financial strategy has been written to help us navigate through these difficult times and Members will need to fully support this

strategy if the Council is to maintain a solid financial foundation. The refreshed Medium Term Financial Strategy which will be presented to Cabinet in July 2020 will provide an update for Members on the future financial challenges the Council expects to face. This will form a strong robust platform and tool to manage develop and manage future budgets. In forming my statement of the robustness of the budget estimates and adequacy of planned reserves I have reviewed this position in detail with the Chief Executive and Senior Leadership Team and have reported my conclusions and assumptions to the Cabinet on a continued on-going basis as part of the Council's overall governance and financial stewardship arrangements.

- 14.5 All Members must also be aware that the calculation of the budget is, in its simplest form, dependent on three key factors, which are set in the context of the reducing level of support from central government, these are:
- a) The structural growth and savings in service expenditure or income;
 - b) The level of increase in local taxation (council tax); and
 - c) The level of reserves and balances.

- 14.6 With regard to the Housing Revenue Account, it is important for Members to understand that the previous 1% per annum reduction in rents resulted in a significant reduction in income to the Housing Revenue Account and if it were to continue would make the 30 year business plan unsustainable based on the current expenditure plans. With this in mind it is important that rents are now increased in 2020/21 in line with the Governments Social Rent Policy which is legislated at CPI plus 1%. This increase will enable a balance budget to be set and the enable the business plan to be implemented in an affordable manner.

Growth, Savings and income options in service expenditure

- 14.7 Proposals for growth, savings and income generation in service expenditure are ultimately a matter of political judgment balancing the needs and priorities of the borough with the available resources from Government and that which can be raised locally through taxation and income. In balancing such decisions Members must have regard to the professional advice of officers in such matters as service need, statutory responsibility, changes to Government legislation, demographic factors (particularly in respect of demand-led services), unavoidable cost pressures and future levels of Government funding support. This report forms part of the advice.

Local Taxation

- 14.8 The level of change in council tax is similarly a matter of political judgment, again having due regard to the professional advice of officers, and in particular to the advice of the s151 officer as regards the robustness of the budget, the level of reserves and balances, prudent financial management, the current and future financial risks the Council may face over the medium to longer term such as the localisation of business rates and council tax benefit support and the future forecast of Government funding support. The recent local government settlement saw a shift in the

government's approach to Council tax. The ability to raise Council tax has been restricted to 2% without the requirement for a referendum (this was previously 3%). The ability to charge a social care precept has continued for 2020/21, with the maximum increase being restricted to 2%. It is important for Members of the Council to understand that social care expenditure is continually rising and putting increasing pressure on our financial resources so it is important to understand that any decision made now regarding increasing locally determined taxes will have an immediate and future impact on the council's financial strategy.

The Level of Reserves and Balances

- 14.9 The level of reserves and balances are principally the responsibility of the s151 officer and are key to ensure the financial sustainability of the Council. The Members of the Council are not automatically obliged to accept my advice in every particular, but must pay due regard to it and be satisfied that they have met their own public obligations if they are minded to depart from my advice.
- 14.10 In the context of the current financial climate and the financial risks which the Council faces my formal advice to all Member is that an appropriate level of General Fund Balances is between 3% and 5% for the medium term which in cash terms is between £8m and £13.8m. The current level of General Fund Balances is £10.4m. This budget makes provision to increase reserves by £5m.
- 14.11 The 2019/20 revenue budget is currently forecast to overspend by £2.371m and it is proposed to make every effort in the remaining weeks of the current financial year to reduce and contain costs where possible, and any overspend will be funded from Earmarked Reserves at the end of the year.

In determining the level of reserves and balances key factors include:

- The risks inherent in the budget;
 - The level of specific reserves and associated provisions;
 - The identified efficiencies to be achieved;
 - The future financial risks the Council may be exposed to both quantifiable and unquantifiable; and
 - The Authority's history of delivering services within the budgetary provision set.
- 14.12 Earmarked reserves are also relevant in supporting the budget and objectives of the council. The level of earmarked reserves reflects a number of policy decisions by the council and supports the revenue budget. The decision to use earmarked reserves for particular purposes can be a political decision based on priorities and also needs to reflect the financial strategy objectives of the council. Earmarked reserves have reduced over the last 3 years and are expected to be in the region of £12m at the end of 2019/20. This is a position that needs to be kept under review. The increased flexibility on the use of capital receipts allows the authority to use these to support transformation projects and therefore provides capacity that would previously have to be funded from earmarked reserves.

- 14.13 Despite budgets being calculated on most likely estimates, not the best estimates basis, the budget contains significant challenges in terms of efficiencies delivery as well as demand led pressures and income generation. The Council has set plans to deliver departmental efficiencies and additional income of £40m. Whilst the financial environment remains volatile I believe that the budget and plans in place to review and monitor spend throughout the year ahead take account of that environment and is therefore prudent for the 2020/21 financial period.
- 14.14 Clearly delivering against a budget with a significant amount of savings whilst coping with an increased population driving further pressures on services is demanding and there has been overspends in social care each year since 2010. Despite this the council has managed to maintain balances at an appropriate level. This remains challenging and this outcome is only achieved through the constant focus of the organisation's officers and the leadership of its Members.
- 14.15 HRA reserves are currently above their target of 3% and expected to remain at this higher level in the medium term in line with the financial strategy.
- 14.16 Table 26 shows the schools reserves position.

Table 26 Reserves (Schools)

Reserves	Balances as at 31/03/19 £m	Estimated Deficit 31/3/20 £m
Local Maintained School balances	3.732	1.700
	3.732	1.700

- 14.17 The above balance as at the end of the financial year is an estimate and includes St Andrews which is due to close. Work is ongoing with the schools in deficit to ensure that plans are in place to ensure the deficits are addressed by the schools. The Council does not currently set or control balance levels for Schools although it is open to local authorities to amend these with the agreement of their Schools Forum. Croydon's Schools Forum has agreed a threshold level of balances for schools, which are 4% of annual expenditure for secondary schools and 6% for primary schools. If maintained schools have balances greater than these sums and do not have plans meeting approved criteria that explain the reasons for additional balances, the additional balances may be redistributed between Croydon's maintained schools. Like local government schools are facing increasing financial pressures and monitoring schools budgets remains a key element of ensuring our schools remain financially viable.
- 14.18 The Section 151 officer has a responsibility to ensure Croydon's maintained schools have sound financial management. Where a school has set a deficit budget (one where anticipated expenditure will exceed anticipated income), or is heading towards a deficit position in year, the

Section 151 officer requires the school to submit a pro forma, setting out their action plan to show how the deficit position will be managed. The pro forma is signed by the School Governors and submitted to the Section 151 officer for agreement. We are currently working with a number of schools on their deficit position and recovery plans.

15.0 Pre Decision Scrutiny

- 15.1 The 2020/2021 budget has been presented to Scrutiny and Overview committee on two separate occasions. On the 10th September 2019 the committee had the opportunity to scrutinise the budget setting process as part of the Cabinet Member for Finance and Resources Question time.
- 15.2 The draft budget and all savings, income and growth options were also presented to Scrutiny and Overview Committee on the 10th February 2020/21. This report enabled members to be briefed on the financial context and challenges the Council faces and updated the Committee on the assumptions made in setting the 2020/2021 budget.
- 15.3 The Scrutiny and Overview Committee agreed to recommend that the Cabinet Member for Finance and Resources be invited to attend a meeting of the Committee and provide an update on the bedding in of the Council's new financial monitoring systems in September 2020.

16.0 Summary and Conclusions

- 16.1 As all Members are aware, setting a budget for 2020/21 that is robust, balanced and deliverable has been extremely challenging and has involved a number of difficult decisions for the Council. The Council faces increasingly challenging choices over the medium term period within the context of its own funding position, the national economy and the level of funding available to the public sector as a whole.
- 16.2 This budget report is based on the current financial outturn projections for 2019/20. If any of the projections change significantly, these will have to be taken in to account in year and urgent action taken to address these.
- 16.3 **Appendix D and E contains the legally required recommendations to Council for setting the budget and Council Tax for 2020/21.**

17.0 Financial Considerations

- 17.1 The report contains the financial implications of the options to deliver a balanced budget for 2020/210 and the draft capital programme for 2020/23.

18.0 LEGAL CONSIDERATIONS

Budget and Council Tax Setting

- 18.1 The Head of Litigation and Corporate Law comments on behalf of the Director of Law and Governance that the Council is under a statutory duty to set a balanced budget. Section 25 of the Local Government Act 2003 requires the Chief Finance Officer to report on the robustness of the estimates made for the purposes of calculating the Council Tax and the adequacy of reserves both of which are contained within this report. The Council is required to set the amount of the Council Tax before 11th March 2020 but it may not be set before the GLA has issued the precept.
- 18.2 The Local Government Finance Act 1992 (as amended), requires the Council as billing authority to determine whether its relevant basic amount of council tax for a financial year is excessive. If it is excessive then there is a duty under s.52ZF - s.52ZI to hold a referendum.
- 18.3 Determining whether the Council Tax is excessive must be decided in accordance with a set of principles determined by the Secretary of State and approved by a resolution of the House of Commons. The Thresholds for 2020-21 provide that local authorities with responsibility for social care, such as Croydon, must hold a referendum if council tax is to be increased by 4% or more. Council tax for general spending requires a referendum if it rises by 2% or more, alongside a maximum 2% 'social care precept'. The 'adult social care precept' is technically not a 'precept' but additional headroom within the referendum regime for selected local authorities. The expressed intention is that local authorities would then be able to raise
- 18.4 The procedure to be followed in developing the budget proposals as detailed in the report are set out in the Budget and Policy Framework Procedure Rules provided in Part 4.C of the Council's Constitution.
- 18.5 When considering the budget proposals the Cabinet and Council will be mindful of their fiduciary duty to ensure that the Council's resources are used in a prudent and proportionate manner. Members are required to have regard to their statutory duties whilst bearing in mind the requirement to act reasonably when taking in to account the interests of the Council Tax payers and Croydon's communities.
- 18.6 To deliver some of the budget proposals action may be required which should be undertaken in accordance with statutory requirements including any legal requirements for consultation and equality impact assessments. Members will be aware of the requirement to consider the Council's obligations under the Equality Act 2010 as detailed more fully in the Equalities Considerations, section 23 below.

Approved by Sandra Herbert, Head of Litigation and Corporate Law on behalf of the Director of Law and Governance & Deputy Monitoring Officer

19.0 HUMAN RESOURCES IMPACT

- 19.1 The implementation of the efficiency and cuts programme will in a number

of instances necessitate a change of structure and skill mix of staff and/or change of working practices. Where a redundancy is being 'contemplated' the unions must be informed. If subsequently a redundancy is actually 'proposed' then the employer is immediately obliged to consult with the unions and staff for a minimum statutory period before any decisions and formal notification of redundancy is issued. The organisation will take these considerations into account in planning for the implementation of any structural reform.

- 19.2 Where restructures or transfers are proposed the Council's existing policies and procedures must be observed.

Pay Policy Statement

- 19.3 The Council aims to ensure that its remuneration packages are fair, equitable and transparent and offer suitable reward for the employment of high quality staff with the necessary skills and experience to deliver high quality services.
- 19.4 Under section 112 of the Local Government Act 1972, the Council has the "power to appoint officers on such reasonable terms and conditions as the authority thinks fit". In accordance with Section 38 of the Localism Act, this Pay Policy Statement sets out the Council's policy for 2020/21 on:
- 19.4.1 The remuneration of its senior staff including chief officers
- 19.4.2 The remuneration of its lowest paid employees
- 19.4.3 The relationship between the remuneration of its senior staff, including chief officers, and the remuneration of staff who are not chief officers
- 19.5 The pay policy statement is at **Appendix H**. The Council are required to approve the pay policy on an annual basis and therefore this will be considered as part of the budget decision of the Council on the 2nd March 2020.

Approved by: Sue Moorman – Director of Human Resources

20 EQUALITIES CONSIDERATIONS

- 20.1 The Equality Act, 2010, also requires the Council to have due regard to the three aims of the Public Sector Equality Duty (the Equality Duty) in designing policies and planning / delivering services. In reality, this is particularly important when taking decisions on service changes. The three aims of the Equality Duty are to;-
- Eliminate unlawful discrimination, harassment and victimisation;
 - Advance equality of opportunity; and
 - Foster good community relations between people who share any of the defined Protected Characteristics and those who do not.
- 20.2 The Act lists nine Protected Characteristics as age, disability, race, religion or belief, sex (gender), sexual orientation, gender reassignment, marriage and civil partnership and pregnancy and maternity. However, it is highly unlikely that these "protected characteristics" will all be of

relevance in all circumstances.

- 20.3 Whilst the council must have due regard to the Equality Duty when taking decisions, there is a recognition that local authorities have a legal duty to set a balanced budget and that council resources are being reduced by central government. However, where a decision is likely to result in detrimental impact on any group with a protected characteristic it must be justified objectively. This means that the adverse impact must be explained as part of the formal decision making process and attempts to mitigate the harm need to be explored. If the harm cannot be avoided, the decision maker must balance the detrimental impact against the strength of legitimate public need to pursue the service change to deliver savings.
- 20.4 In developing its detailed budget proposals for 2020/21 the Council aims to achieve best practice in equality and inclusion. The Council recognises that it has to make difficult decisions in order to reduce its overall expenditure to meet Government cuts in grant funding and to deliver a balanced budget while at the same time ensuring that it is able to respond positively to increases in demand for essential services. In doing so it will endeavour to ensure that it best meets the specific needs of all residents, including those groups that share a “protected characteristic”.
- 20.5 Through its budget proposals, the Council will also seek to identify opportunities to improve services and the quality of life for all Croydon residents while minimising any adverse impacts of decisions, particularly in regard to groups that share protected characteristics. It will be guided by the broad principles of equality and inclusion and will carry out and publish equality impact assessments to secure delivery of that duty, including such consultation as required.
- 20.6 An equality analysis has been completed in respect of the overall Council Tax increase which will apply to all households in the borough. While this increase is relatively modest it will nonetheless impact on those on low and fixed incomes and in particular those that may have been adversely affected by changes to the benefit system and who do not qualify for Council Tax Support. This segment of the population is more likely to live in the most deprived areas in the borough where there is a greater proportion of BAME residents. This has to be balanced against the additional amount raised through the Adult Social Care charge which will contribute to meeting the expected increase in demand for these services. This will benefit Croydon’s most vulnerable adults and families. In addition the Council will continue, through the Council Tax Support scheme to provide financial relief for vulnerable households including:
- Pensioners on low incomes.
 - People that are in receipt of disability living allowance or employment support allowance.
 - People that are in receipt of income support.
 - Single parents with a child or children aged under five.
- 20.7 As part of the overall welfare support provided, customers having

difficulties with their payments are also offered wider budgeting advice and support and help in finding work is also available where applicable through the Council's Gateway service. These provisions and the support available are highlighted in the customer's Council Tax bills.

- 20.8 In respect of specific proposals as outlined in Appendix A may result in new policies or policy or service changes an equality analysis will inform the final proposal and its implementation and will be available at the time of decision.

Approved By Yvonne Okiyo, Equalities Manager

21.0 ENVIRONMENTAL IMPACT

- 21.1 There are no direct environmental considerations arising from this report.

22.0 CRIME AND DISORDER REDUCTION IMPACT

- 22.1 There are no savings which should impact upon this Corporate Priority.

23.0 REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

- 23.1 The council has a duty to set a balanced budget and therefore the proposals set out in the report achieve this duty.

24.0 OPTIONS CONSIDERED AND REJECTED

- 24.1 Various other options were considered in terms of council tax levels, investments and savings. These are ultimately decisions of policy and political choice.

REPORT CONTACT: Lisa Taylor, Director of Finance, Investment and Risk, Section 151 Officer

BACKGROUND DOCUMENTS: None

APPENDICES:

- A – Revenue savings, income and growth options
- B – Detailed Budget Book
- C – Summary of Revenue Estimates
- D – Budget Requirement and Council Tax
- E – Council Tax Recommendations
- F – Response to Provisional Local Government Settlement
- G – Dedicated Schools Grant
- H – Pay Policy Statement

Children, Families and Education

	Savings/Inc ome and Growth	£ m
De-centralisation of Business Support function.	Saving	(0.360)
International Recruitment (20 SWs) - Reduce Early Help and Children's Social Care vacancy rate whilst developing an outstanding service for children and families	Saving	(0.586)
Secure agreed health contribution to support EHCPs and CSC placements	Saving	(0.500)
UASC Contribution (assuming only improvement is enhanced rate for UASC above National Transfer Scheme threshold)	Saving	(2.770)
SPOC and Assessment Team - reduction following improvement	Saving	(0.592)
Social Work with Families Team - reduction following improvement	Saving	(0.415)
Reduction in management posts to reflect more effective services following reduction in demand	Saving	(0.378)
Release of Improvement Consultants following completion of OFSTED monitoring	Saving	(0.333)
Review of Emergency Duty Team and future delivery options	Saving	(0.150)
Effective Corporate Centre	Saving	(0.295)
Supplies and Services	Saving	(0.338)
Savings in children's due to gateway intervention	Saving	(1.300)
Fees and Charges	Income	(0.010)
Total Savings		(8.027)
Children With Disabilities Demand Growth	Growth	1.000
Children's Social Care Demand and population growth	Growth	2.200
UASC	Growth	5.000
Realignment of Base Budgets	Growth	1.912
Total Growth		10.112
Other movements between depts		(0.100)
Department Total		1.985

Health, Wellbeing, Adults

	Savings/Inc ome and Growth	£m
Reorganisation of Occupational Therapy provision	Saving	(0.370)
Managing demand in Adult Social Care	Saving	(5.660)
Age UK Croydon info/advice contract renegotiation	Saving	(0.100)
Supported Housing reorganisation	Saving	(0.180)
Decommission Community Opportunities Service	Saving	(0.180)
Historical CHS funding	Saving	(0.300)
Interventions restructure	Saving	(0.043)
Employment Service deletion	Saving	(0.219)
Gateway Link restructure	Saving	(0.191)
Effective Corporate Centre	Saving	(0.162)
Further Adult Social Care Staff Savings	Saving	(0.197)
Housing and homelessness	Saving	(0.551)

Supplies and Services	Saving	(0.100)
Realignment of Base Budgets	Saving	(1.783)
Increase in Fees and Charges	Income	(0.158)
Health Contribution	Income	(6.000)
Total Savings		(16.194)
Adult Social Care growth 25-65	Growth	2.000
Adult Social Care Population Growth	Growth	1.920
Cost of providing support to UASC population	Growth	3.000
Investment in Special Sheltered and Care homes	Growth	1.500
Additional Growth based on current run rate	Growth	10.000
Flexible Homelessness Support Grant contribution	Growth	0.325
Change in funding for Public Health Activities	Growth	1.192
Savings in Health, Wellbeing and Adults due to gateway intervention	Growth	1.300
Total Growth		21.237
Other movements between depts		(0.315)
Departmental Total		4.728

Place Department

	Savings/Inc ome and Growth	£m
Street Lighting Energy Efficiencies	Saving	(0.170)
Close neighbourhood Recycling Centres	Saving	(0.171)
Staff Savings as a result of a review of the Property & Facility function (non permanent saving)	Saving	(0.100)
A range of reductions to cleaning, reactive repairs, and staff training across Facilities & Support Services	Saving	(0.095)
Combine current Dementia Service and Older Peoples Transport services	Saving	(0.118)
Effective Corporate Centre	Saving	(0.751)
Staff Savings	Saving	(0.138)
Additional Investment Property Income	Saving	(4.000)
Supplies and Services	Saving	(0.157)
Economic Growth service	Saving	(0.067)
Increase in Pay and Display Charges by 10p per linear tariff	Income	(0.800)
Additional CEO's to increase parking enforcement	Income	(1.360)
ANPR camera upgrades and additional enforcement using cameras	Income	(1.200)
Parking Signs and Lines replacement programme to increase enforcement	Income	(0.315)
Blue badge enforcement measures	Income	(0.100)
Introduction of emissions based parking income charges	Income	(0.115)
Fees and Charges - general	Income	(0.115)

Increase fee income by 20% on selected building control fees	Income	(0.100)
Regeneration -increase recharges and external income and hold vacant posts	Saving	(0.074)
Total Savings		(9.946)
Waste population growth	Growth	1.000
Veolia contract commitments	Growth	1.500
SEN transport Growth	Growth	2.000
2019/20 cost pressures	Growth	1.000
Sustainability	Growth	0.250
Croydon Works	Growth	0.150
Realignment of Base Budgets	Growth	0.899
Total Growth		6.799
Other movements between depts		0.574
Departmental Total		(2.573)

Resources

	Savings/Inc ome and Growth	£m
Reduce provision of work mobile phones	Saving	(0.170)
Staffing restructure in Croydon Digital Services	Saving	(0.463)
4G deployment on lampposts	Saving	(0.030)
Reduce availability and volume of hardware purchases	Saving	(0.150)
Retire CRM system and replace with new digital platform	Saving	(0.035)
Reshape business improvement function in C&P	Saving	(0.185)
Reduction in contribution to self insurance fund	Saving	(0.110)
Cease software and licence costs around organisation	Saving	(0.315)
Effective Corporate Centre	Saving	(0.354)
Maintain vacancy in communities team	Saving	(0.040)
Supplies and Services	Saving	(0.405)
Capitalisation of costs in the division	Saving	(1.500)
Restructure of staffing in Legal and Governance division	Saving	(0.100)
Change in funding for Public Health Activities	Saving	(0.192)
Fees and Charges	Income	(0.033)
Realignment of charges to the Housing Revenue Account	Income	(2.000)
Total Savings		(6.082)
Create a permanent head of Finance for the Children's, Families & Education	Growth	0.100
Cost of providing support to UASC population	Growth	1.000
Croydon Digital Services Investment into the division to deliver the Digital Strategy	Growth	2.000
Governance Review Implementation	Growth	0.250
Reduction in Court Income	Growth	1.300
Realignment of Base Budgets	Growth	2.555
Total Growth		7.205
Other movements between depts		(0.159)

Departmental Total		0.964

Corporate Items

	Savings/Inc ome and Growth	£ m
Staff Layers and Spans programme	Saving	(1.665)
Review of recharges to the capital programme	Saving	(1.454)
Council Tax Base increase	Income	(5.516)
Council Tax Increase 1.99%	Income	(3.583)
Adult Social Care Precept 2%	Income	(3.601)
Core grant and Settlement changes	Income	(5.791)
Realign base budget	Income	(0.265)
Brick by Brick dividend increase	Income	(3.000)
Total Savings		(24.875)
Contribution to Reserves	Growth	5.000
Increase in cost of borrowing	Growth	2.100
Increase contingency provision	Growth	1.747
Collection Fund	Growth	4.700
London Business Rates Pool ceasing	Growth	4.774
Increase in levies	Growth	0.050
C/f Q2 pressures	Growth	1.400
Total Growth		19.771
Corporate Total		(5.104)

CROYDON COUNCIL

DRAFT REVENUE BUDGET AND CAPITAL PROGRAMME

2020/21

**Appendix B
Cabinet, 24th February 2020**

REVENUE BUDGET SUMMARY

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REVENUE BUDGET SUMMARY

GENERAL FUND SUMMARY

ACTUAL 2018/19 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E)
			Inflation (B) £000's	Other (C) £000's		
	SERVICE BUDGETS					
77,886	Children, Families and Education	97,349	1,301	1,499	100,149	3
138,550	Health, Wellbeing and Adults	131,272	863	398	132,533	1
65,328	Place	104,052	655	(43,209)	61,498	(41)
54,482	Resources	(3,176)	2,035	14,437	13,296	(519)
2,570	Contribution to Provision for Doubtful Debts	180	-	-	180	-
0	Pension Contribution	8,097	-	-	8,097	-
275	Carbon Credits	255	-	-	255	-
491	Apprentice Levy	600	-	-	600	-
650	Community Initiative Fund	650	-	-	650	-
-	Contracts Review	(2,000)	-	-	(2,000)	-
-	Other Corporate Savings	-	-	(1,992)	(1,992)	-
340,232	NET COST OF SERVICES	337,279	4,854	(28,867)	313,266	(7)
(34,232)	Core Grants	(33,430)	-	397	(33,033)	(1)
-	Contingency	1,000	-	1,747	2,747	175
5,734	Departmental Contingency	1,000	-	-	1,000	-
-	Levies from Other Bodies	-	-	-	-	-
283	Environment Agency	288	-	7	295	2
301	Lee Valley Regional Park Authority	407	-	16	423	4
290	London Boroughs Grants Committee	291	-	7	298	2
436	London Pensions Fund Authority	438	-	20	458	5
(5,663)	Interest and Investment Income	(11,318)	-	-	(11,318)	-
29,088	Interest Payable	23,054	-	2,100	25,154	9
(3,763)	Sub Total	(18,270)	-	4,294	(13,976)	
336,469	NET OPERATING EXPENDITURE	319,009	4,854	(24,573)	299,290	(6)
-	APPROPRIATIONS					
(145)	Contributions to / (from) Earmarked Reserves	5,500	-	(5,500)	-	(100)
18,708	Provision for Repayment of External Loans	7,243	-	-	7,243	-
-	Depreciation	(26,889)	-	-	(28,548)	
(96,450)	REFCUS	(30,806)	-	27,000	(3,806)	(94)
8,316	Deferred / Intangible Charges Written Off	(3,692)	-	1,785	(1,907)	-
-	Contribution to / (from) General Balances	-	-	5,000	5,000	-
(69,571)	Sub Total	(48,644)	-	26,626	(22,018)	
266,898	BUDGET REQUIREMENT	270,365	4,854	2,053	277,272	2.55%
	FINANCED BY					
-	Revenue Support Grant	-	-	14,127	14,127	-
(8,768)	Collection Fund surplus / (deficit)	6,560	-	(7,681)	(1,121)	(117)
(12,746)	Business Rates Top Up Grant	24,017	-	10,175	34,192	42
(78,025)	Business Rates Income	59,760	-	(22,412)	37,348	(38)
(167,359)	Council Tax - Band D Equivalent	180,028	-	12,698	192,726	7
(266,898)	TOTAL FINANCING	270,365	-	6,907	277,272	2.55
	COUNCIL TAX SUMMARY	Total Council tax 2019-20 £000's	Band D Equivalent £.pp	2020/21 Band D Equivalent £.pp	Total Council tax 2020-21 £000's	Change Band D Equivalent %
	London Borough of Croydon	167,266	1,297.33	1,325.12	175,882	1.99%
	Adult Social Care Levy	12,762	98.98	126.91	16,845	2.00%
	Sub Total	180,028	1,396.31	1,452.03	192,727	
	Greater London Authority	41,324	320.51	332.07	44,075	3.60%
-	TOTAL	221,351	1,716.82	1,784.10	236,801	3.92%

REVENUE BUDGET SUMMARY

SUBJECTIVE ANALYSIS

ACTUAL 2018/19	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A)	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D)	% CHANGE (E)
			Inflation (B)	Other (C)		
£000's		£000's	£000's	£000's	£000's	
	EXPENDITURE					
215,510	Employees	167,026	3,648	6,412	177,086	6
127,204	Premises related expenditure	41,156	245	4,207	45,608	11
84,113	Supplies and Services	53,924	749	7,927	62,600	16
195,315	Third Party Payments	190,897	527	9,799	201,223	5
236,966	Transfer Payments	232,607	-	(2,853)	229,754	(1)
26,331	Transport related expenditure	10,769	-	1,040	11,809	10
38,494	Capital Charges	28,485	-	(356)	28,129	(1)
-	Intangible Charges	9,225	-	235	9,460	3
-	REFCUS	30,806	-	(9,214)	21,592	(30)
61,549	Corporate support services bought in	(6,470)	-	(18,022)	(24,492)	279
3,841	Recharges from other services	25,694	-	(2,637)	23,058	(10)
989,323	TOTAL EXPENDITURE	784,119	5,169	(3,461)	785,827	0
	INCOME					
(302,348)	Government Grants	(276,438)	-	(2,433)	(278,871)	1
(45,685)	Other Grants, reimbursements and contributions	(27,917)	(6)	(4,912)	(32,835)	18
(121,215)	Customer and Client Receipts	(94,393)	(308)	(11,910)	(106,611)	13
(58)	Interest Receivable	(28)	-	-	(28)	-
(179,785)	Recharges to other services	(48,064)	(1)	(6,151)	(54,216)	13
(649,091)	TOTAL INCOME	(446,840)	(315)	(25,406)	(472,561)	6
340,232	NET EXPENDITURE	337,279	4,854	(28,867)	313,266	(7)

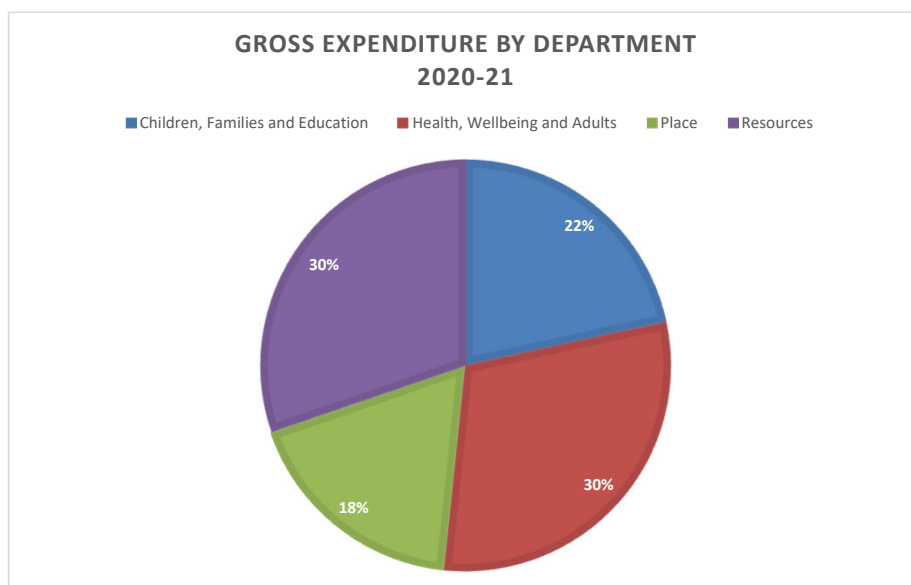
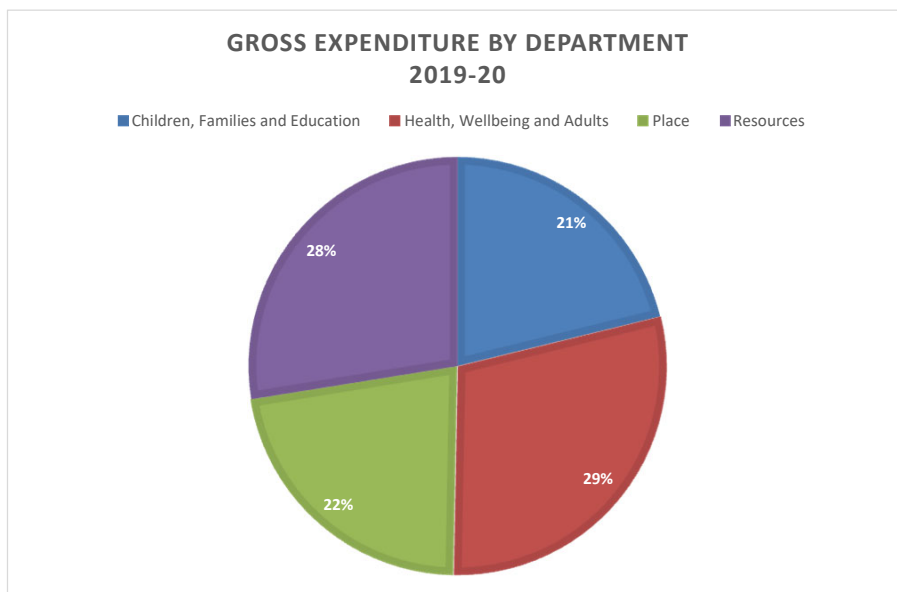
STAFF ESTABLISHMENT NUMBERS

DESCRIPTION	ORIGINAL BUDGET 2019/20	ORIGINAL BUDGET 2020/21	CHANGE IN 2020/21
	FTE STAFF	FTE STAFF	FTE STAFF
Health, Wellbeing and Adults	910.78	883.65	(27.13)
Children, Families and Education	788.73	787.96	(0.77)
Place	941.90	1,001.80	59.90
Resources	844.25	930.46	86.21
TOTAL FTE STAFF	3,485.7	3,603.9	118.2

REVENUE BUDGET SUMMARY

DEPARTMENTAL GROSS EXPENDITURE

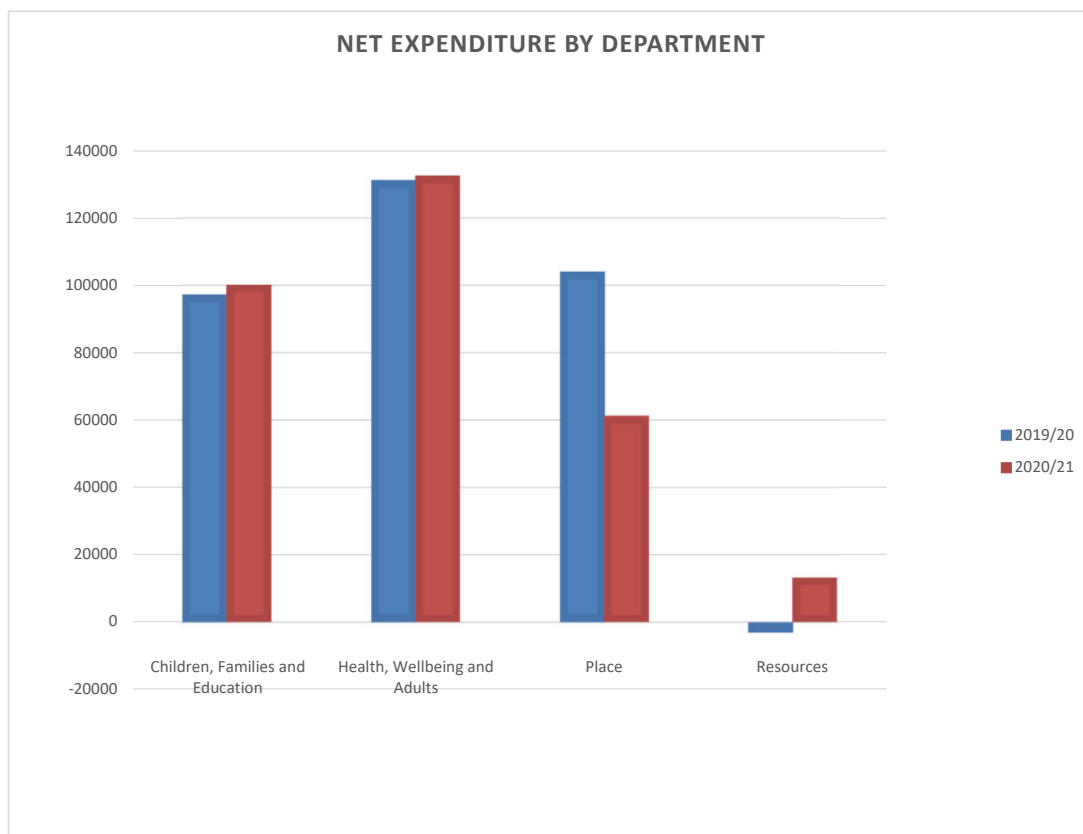
ACTUAL 2018/19 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E)
			Inflation (B) £000's	Other (C) £000's		
	SERVICE BUDGETS					
201,839	Children, Families and Education	164,362	1,311	2,729	168,401	2
259,856	Health, Wellbeing and Adults	226,151	1,021	7,283	234,455	4
163,157	Place	172,064	770	(31,838)	140,996	(18)
360,485	Resources	213,760	2,067	20,357	236,184	10
2,570	Contribution to Provision for Doubtful Debts	180	-	-	180	-
-	Pension Contribution	8,097	-	-	8,097	-
275	Carbon Credits	255	-	-	255	-
491	Apprentice Levy	600	-	-	600	-
650	Community Initiative Fund	650	-	-	650	-
-	Contracts Review	(2,000)	-	-	(2,000)	-
-	Other Corporate Savings	-	-	(1,992)	(1,992)	n/a
989,323	GROSS DEPARTMENTAL COST OF SERVICE	784,119	5,169	(3,461)	785,827	0



REVENUE BUDGET SUMMARY

DEPARTMENTAL NET EXPENDITURE

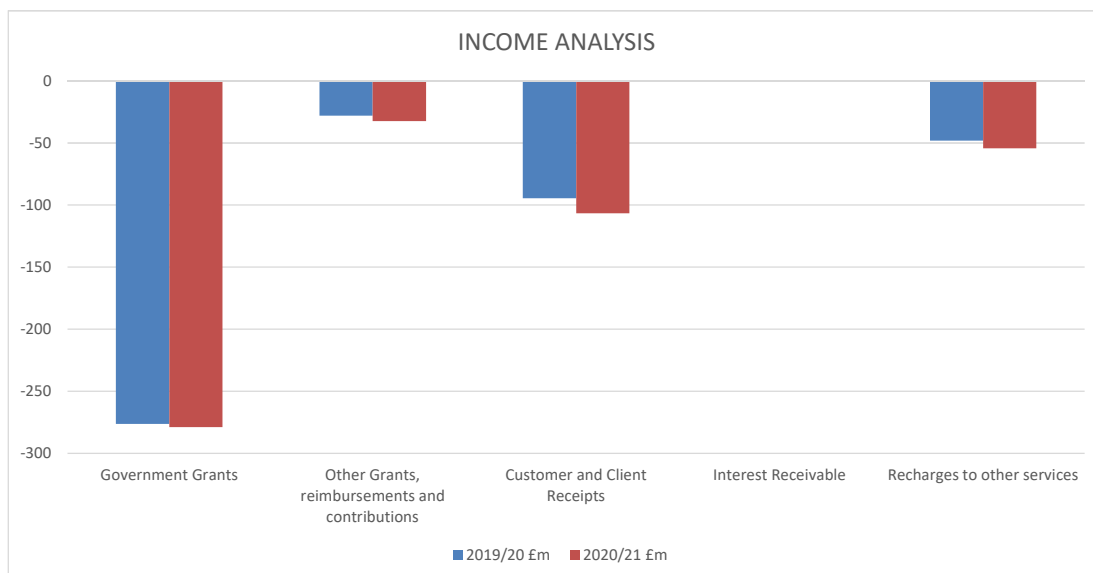
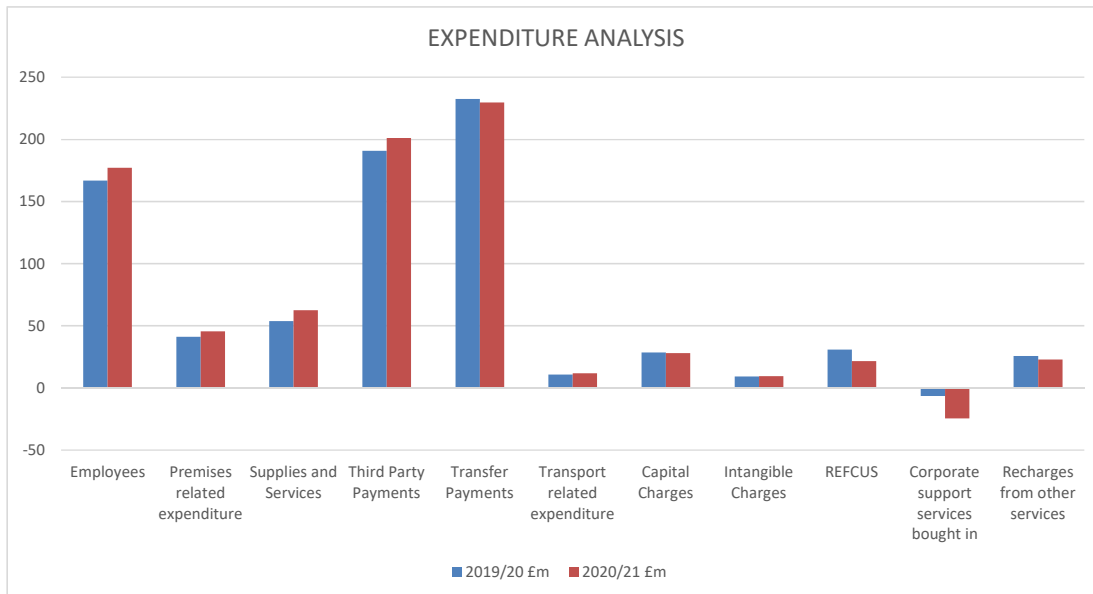
ACTUAL 2018/19 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E)
			Inflation (B) £000's	Other (C) £000's		
	SERVICE BUDGETS					
77,886	Children, Families and Education	97,348	1,301	1,499	100,148	3
138,550	Health, Wellbeing and Adults	131,272	863	398	132,534	1
65,328	PLACE	104,052	655	(43,209)	61,497	(41)
54,482	Resources	(3,175)	2,035	14,437	13,297	(519)
2,570	Contribution to Provision for Doubtful Debts	180	-	-	180	n/a
-	Pension Contribution	8,097	-	-	8,097	n/a
275	Carbon Credits	255	-	-	255	-
491	Apprentice Levy	600	-	-	600	n/a
650	Community Initiative Fund	650	-	-	650	n/a
-	Contracts Review	(2,000)	-	-	(2,000)	n/a
-	Other Corporate Savings	-	-	(1,992)	(1,992)	n/a
340,232	NET COST OF SERVICES	337,279	4,854	(28,867)	313,266	(7)



REVENUE BUDGET SUMMARY

ANALYSIS OF INCOME AND EXPENDITURE

ACTUAL 2018/19 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E)
			Inflation (B) £000's	Other (C) £000's		
	EXPENDITURE					
215,510	Employees	167,026	3,648	6,412	177,086	6
127,204	Premises related expenditure	41,156	245	4,207	45,608	11
84,113	Supplies and Services	53,924	749	7,927	62,600	16
195,315	Third Party Payments	190,897	527	9,799	201,223	5
236,966	Transfer Payments	232,607	-	(2,853)	229,754	(1)
26,331	Transport related expenditure	10,769	-	1,040	11,809	10
38,494	Capital Charges	28,485	-	(356)	28,129	(1)
-	Intangible Charges	9,225	-	235	9,460	3
-	REFCUS	30,806	-	(9,214)	21,592	(30)
61,549	Corporate support services bought in	(6,470)	-	(18,022)	(24,492)	279
3,841	Recharges from other services	25,694	-	(2,637)	23,058	(10)
989,323	TOTAL EXPENDITURE	784,119	5,169	(3,461)	785,827	0
	INCOME					
(302,348)	Government Grants	(276,438)	-	(2,433)	(278,871)	1
(45,685)	Other Grants, reimbursements and contributions	(27,917)	(6)	(4,912)	(32,835)	18
(121,215)	Customer and Client Receipts	(94,393)	(308)	(11,910)	(106,611)	13
(58)	Interest Receivable	(28)	-	-	(28)	-
(179,785)	Recharges to other services	(48,064)	(1)	(6,151)	(54,216)	13
(649,091)	TOTAL INCOME	(446,840)	(315)	(25,406)	(472,561)	6
340,232	NET EXPENDITURE	337,279	4,854	(28,867)	313,266	(7)



Children, Families & Education

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KEY SERVICE TARGETS / PRIORITIES FOR 2020/21

1. Strengthen transformation and demand management across all services, creating more preventative and joined up approaches which also strengthens efficiencies. In particular:
- Implement the Early Help strategy for children's services to provide support to children sooner and reduce demand on higher tariff services
 - Establish an Edge of Care team to reduce the number of young people entering the care system
 - Establish an entry into care panel to ensure that this is a good outcome for children
2. Deliver the Independence Strategy and the promises therein, for example:
- Continue to improve the proportion of schools judged good or better by OFSTED
 - Give children and better start in life through the implementation of the Early Provision
 - Create more local school places for children and young people with Special Educational Needs and Disabilities (SEND)
 - Increase the capacity and capability of schools to support children with additional needs
3. Safeguard and protect Children and Vulnerable Adults by continuing to improve the quality of services, supporting the delivery of the business plan for the Children's and Adults' Safeguarding Board which will improve outcomes for children through our targeted interventions.
4. To deliver the Ofsted Improvement Plan bringing high quality services to children, young people and their families - including:
- Developing a permanent, skilled and effective workforce
 - Establishing evidence based practice
 - Intervening earlier
 - Delivering consistently good assessments and intervention plans that offer good outcomes for children

COST CENTRE: C1200N

DESCRIPTION	ACTUAL 2018/19 £000	ORIGINAL 2019/20 £000	FORECAST 2019/20 £000	BUDGET 2020/21 £000	% CHANGE %
Employees	57,604	41,820	39,818	43,239	3
Premises related expenditure	624	113	84	162	43
Supplies and Services	4,222	5,130	7,247	5,103	(1)
Third Party Payments	60,311	55,081	40,554	61,634	12
Transfer Payments	40,776	36,456	36,325	33,310	(9)
Transport related expenditure	200	41	(50)	32	(22)
Capital Charges	18,895	9,219	9,216	7,675	(17)
Intangible Charges	-	-	-	-	n/a
REFCUS	-	-	-	-	n/a
Corporate support services bought in	18,921	9,367	6,834	11,116	19
Recharges from other services	286	7,134	3,724	6,130	(14)
TOTAL EXPENDITURE	201,839	164,361	143,752	168,401	17
Government Grants	(86,432)	(60,149)	(40,514)	(61,938)	3
Other Grants, reimbursements and contributions	(8,052)	(979)	(2,582)	(976)	(0)
Customer and Client Receipts	(9,215)	(807)	(871)	(1,116)	38
Interest Receivable	-	-	-	-	n/a
Recharges to other services	(20,254)	(5,078)	(6,639)	(4,223)	(17)
TOTAL INCOME	(123,953)	(67,013)	(50,606)	(68,253)	35
NET EXPENDITURE	77,886	97,348	93,146	100,148	8
Contributions to / (from) Reserves	-	-	-	-	n/a
CURRENT BUDGET	68,354		92,032		
TOTAL VARIANCE FROM BUDGET- Over/(Under)	9,532		1,114		

TOP FINANCIAL RISKS 2020/21

The UASC pressure continues as a result of the Home Office only funding a fixed rate per child, which does not accurately reflect our costs for looking after UASC children and these costs are a result of acting as a 'gateway' authority. The Home Office have said that they are committed to reviewing funding rates and we have contributed to their call for evidence. At this stage there is no date for when there will be an outcome of that review.

From March 2019, Local Authorities (LAs) with a cumulative Dedicated School Grant (DSG) deficit of over 1% of their 2018-19 allocation will be required to submit a deficit recovery plan to the Department for Education.

Additional financial pressures may arise in relation to the Ofsted Improvement Plan including:

- Increase the workforce with capacity to deliver high quality work requiring smaller caseloads
- Support the service with additional infrastructure support in relation to HR/ Finance/ performance/ policy and ICT
- Establish assistant team managers in Care Planning
- Develop a robust Early Help Service and Edge of Care Service

Recruitment and retention costs and packages will need to be reviewed to reflect the marketplace which is becoming increasingly competitive. The establishment of social workers may need to increase permanently to ensure low caseloads, key to recruitment and retention.

Demand in relation to children in child protection, care proceedings, children in care and UASC continue to rise. This may well continue until we have embedded the early help provision.

CHILDREN, FAMILIES & EDUCATION

DEPARTMENT SUMMARY

CABINET MEMBER	Cllr Alisa Flemming	Cabinet Member for Children, Young People and Learning
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DEPARTMENT MANAGEMENT TEAM

NAME	TITLE	TEL. EX.
Robert Henderson	Executive Director of Children, Families & Education	60531
Nick Pendry	Director of Early Help and Children's Social Care	64852
Shelley Davies	Interim Director of Education and Youth Engagement	88414
Kerry Crichlow	Programme Director - Children's Improvement Department	64802

COST CENTRE	DIVISION
C1210P	Early Help and Children's Social Care
C1220P	Education and Youth Engagement
C1245P	Children Families and Education Directorate
C1215P	Dedicated Schools Grant (DSG)

MOVEMENT IN SERVICE NET EXPENDITURE

FORECAST 2019/20 £000's	DIVISION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	Other (C) £000's		
80,001	Early Help and Children's Social Care	83,904	1,134	875	85,913	2
3,993	Education and Youth Engagement	4,292	161	776	5,229	22
9,152	Children Families and Education Directorate	9,152	6	(152)	9,006	(2)
-	Dedicated Schools Grant (DSG)	-	-	-	-	n/a
93,146	TOTAL NET SPEND	97,348	1,301	1,499	100,148	3

STAFF ESTABLISHMENT NUMBERS

DIVISION	ORIGINAL BUDGET 2019/20 FTE STAFF	ORIGINAL BUDGET 2020/21 FTE STAFF	CHANGE IN FTE FTE STAFF
Early Help and Children's Social Care	590.4	598.0	7.6
Education and Youth Engagement	197.4	186.5	(10.9)
Children Families and Education Directorate	1.0	3.5	2.5
Dedicated Schools Grant (DSG)	-	-	-
TOTAL FTE STAFF	788.7	788.0	(0.8)

STAFF ESTABLISHMENT NUMBERS - REASONS FOR VARIATIONS

Early Help and Children's Social Care staffing has net increased by 7.6 FTE. This is due to realignment of teams and additional staff required to meet demand and contributes to the improvement of the service following the recent Ofstead inspection.

Education and Youth Engagement has decreased by 10.9 as a result of the transfer of Youth Engagement to Place.

Children Families and Educaiton Directorate has had a 2.5 FTE increase to meet the demands of the service.

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
39,818	Employees	41,820	838	581	43,239	3
84	Premises related expenditure	113	-	49	162	43
7,247	Supplies and Services	5,130	-	(27)	5,103	(1)
40,554	Third Party Payments	55,081	473	6,080	61,634	12
36,325	Transfer Payments	36,456	-	(3,146)	33,310	(9)
(50)	Transport related expenditure	41	-	(9)	32	(22)
3,724	Recharges from other services	7,134	-	(1,004)	6,130	(14)
127,702	TOTAL EXPENDITURE	145,775	1,311	2,524	149,610	3
(40,514)	Government Grants	(60,149)	-	(1,789)	(61,938)	3
(2,582)	Other Grants, reimbursements and contributions	(979)	(6)	9	(976)	(0)
(871)	Customer and Client Receipts	(807)	(4)	(305)	(1,116)	38
-	Interest Receivable	-	-	-	-	n/a
(6,639)	Recharges to other services	(5,078)	-	855	(4,223)	(17)
(50,606)	TOTAL INCOME	(67,013)	(10)	(1,230)	(68,253)	2
77,096	NET CONTROLLABLE COST	78,762	1,301	1,294	81,357	3
9,216	Capital Charges	9,219	-	(1,544)	7,675	(17)
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
6,834	Corporate support services bought in	9,367	-	1,749	11,116	19
16,050	TOTAL UNCONTROLLABLE COST	18,586	-	205	18,791	1
93,146	NET COST OF SERVICE	97,348	1,301	1,499	100,148	3
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
93,146	TOTAL NET EXPENDITURE	97,348	1,301	1,499	100,148	3
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
Strategic budget - agreed pressures / service demands						8,200
Strategic budget - agreed additional income / savings						(6,717)
Other resource changes						16
TOTAL OTHER VARIATIONS IN RESOURCE						1,499

SERVICE DESCRIPTION

Children's Social Care and Early Help fulfils the council's statutory responsibilities to support children in need of help and protection. The legislative framework, of the Children Act 1989, largely defines the functions and responsibilities of the service.

The Early Help service focuses on supporting children and families within a preventative model, aimed at providing the right support at the right time at an early point. Children's Social Care will support children and families using a formal child protection framework or, if required, through instituting care proceedings under the Children Act 1989.

Our focus is upon supporting families to remain together wherever possible, in recognition that children are best brought up within their birth families. If children need to be removed from their birth families, in order to protect them, the service focuses upon ensuring alternative permanent care for children at the earliest possible point and through family connected carers if possible.

The service works closely with other divisions within the council such as Housing, Gateway and Adults, in order to ensure a joined up approach to service delivery and to support families in a holistic way.

MOVEMENT IN NET EXPENDITURE

COST CENTRE	SERVICE	ORIGINAL BUDGET	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET	% CHANGE
		2019/20 (A) £000's	Inflation (B) £000's	Other (C) £000's	2020/21 (D) £000's	
C1210Q	Quality Assurance and Safeguarding	2,842	58	(561)	2,339	(18)
C1212Q	Early Help and Children's Social Care Directorate	11,633	27	(251)	11,409	(2)
C1214Q	Social Work with Families	8,604	117	110	8,831	3
C1216Q	Social Work with Children Looked After and Care Leavers	29,120	563	549	30,232	4
C1218Q	Single Point of Contact (SPOC) and Assessments	5,134	93	(774)	4,453	(13)
C1221Q	0-25 Children with Disabilities and Transition Service	13,235	61	1,224	14,520	10
C1247Q	Early Help and Youth Engagement	5,273	83	(695)	4,661	(12)
C1260Q	Adolescent Services	3,166	72	(165)	3,073	(3)
C1262Q	Asylum Seekers	4,897	60	589	5,546	13
C1264Q	Clinical Therapy Service	-	-	849	849	n/a
	TOTAL NET SPEND	83,904	1,134	875	85,913	2

STAFF ESTABLISHMENT NUMBERS

SERVICE	ORIGINAL BUDGET	ORIGINAL BUDGET	CHANGE
	2019/20 FTE STAFF	2020/21 FTE STAFF	IN FTE STAFF
Quality Assurance and Safeguarding	43.5	36.5	(7.0)
Early Help and Children's Social Care Directorate	15.0	16.0	1.0
Social Work with Families	102.0	91.0	(11.0)
Social Work with Children Looked After and Care Leavers	138.0	76.5	(61.5)
Single Point of Contact and Assessments	77.6	67.6	(10.0)
0-25 Children with Disabilities and Transition Service	66.4	82.5	16.1
Early Help and Youth Engagement	80.9	96.4	15.5
Adolescent Services	67.0	67.0	-
Asylum Seekers	-	54.5	54.5
Clinical Therapy Service	-	10.0	10.0
TOTAL FTE STAFF	590.4	598.0	7.6

**CHILDREN, FAMILIES & EDUCATION
EARLY HELP AND CHILDREN'S SOCIAL CARE**

DIVISION SUBJECTIVE SUMMARY

COST CENTRE: C1210P

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
31,489	Employees	35,171	664	(513)	35,322	0
143	Premises related expenditure	87	-	(3)	84	(3)
2,926	Supplies and Services	2,213	-	44	2,257	2
39,159	Third Party Payments	52,559	473	5,697	58,729	12
4,309	Transfer Payments	3,438	-	(200)	3,238	(6)
(223)	Transport related expenditure	30	-	(7)	23	(23)
2,741	Recharges from other services	6,132	-	(1,746)	4,386	(28)
80,544	TOTAL EXPENDITURE	99,630	1,137	3,272	104,039	4
(3,064)	Government Grants	(20,172)	-	(2,770)	(22,942)	14
(444)	Other Grants, reimbursements and contributions	(381)	-	(500)	(881)	131
(74)	Customer and Client Receipts	(61)	(3)	(162)	(226)	270
-	Interest Receivable	-	-	-	-	n/a
(3,866)	Recharges to other services	(4,015)	-	186	(3,829)	(5)
(7,448)	TOTAL INCOME	(24,629)	(3)	(3,246)	(27,878)	13
73,096	NET CONTROLLABLE COST	75,001	1,134	26	76,161	2
71	Capital Charges	71	-	1	72	1
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
6,834	Corporate support services bought in	8,832	-	848	9,680	10
6,905	TOTAL UNCONTROLLABLE COST	8,903	-	849	9,752	10
80,001	NET COST OF SERVICE	83,904	1,134	875	85,913	2
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
80,001	TOTAL NET EXPENDITURE	83,904	1,134	875	85,913	2
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						8,200
<u>Strategic budget - agreed additional income / savings</u>						(5,210)
<u>Other resource changes</u>						(2,115)
TOTAL OTHER VARIATIONS IN RESOURCE						875

**CHILDREN, FAMILIES & EDUCATION
EARLY HELP AND CHILDREN'S SOCIAL CARE
QUALITY ASSURANCE AND SAFEGUARDING**

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1210Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
2,691	Employees	2,993	58	(573)	2,478	(17)
8	Premises related expenditure	6	-	-	6	-
227	Supplies and Services	190	-	-	190	-
228	Third Party Payments	226	-	(37)	189	(16)
-	Transfer Payments	-	-	-	-	n/a
4	Transport related expenditure	1	-	-	1	-
295	Recharges from other services	54	-	-	54	-
3,453	TOTAL EXPENDITURE	3,470	58	(610)	2,918	n/a
-	Government Grants	-	-	-	-	n/a
(89)	Other Grants, reimbursements and contributions	(90)	-	-	(90)	-
-	Customer and Client Receipts	-	-	-	-	n/a
-	Interest Receivable	-	-	-	-	n/a
(538)	Recharges to other services	(538)	-	49	(489)	(9)
(627)	TOTAL INCOME	(628)	-	49	(579)	n/a
2,826	NET CONTROLLABLE COST	2,842	58	(561)	2,339	n/a
-	Capital Charges	-	-	-	-	n/a
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
-	Corporate support services bought in	-	-	-	-	n/a
-	TOTAL UNCONTROLLABLE COST	-	-	-	-	n/a
2,826	NET COST OF SERVICE	2,842	58	(561)	2,339	n/a
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
2,826	TOTAL NET EXPENDITURE	2,842	58	(561)	2,339	(18)
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
						-
<u>Strategic budget - agreed additional income / savings</u>						
Savings: Effective Corporate Centre						(17)
Savings: Supplies and Services						(20)
						(37)
<u>Other resource changes</u>						
Transfer of 6 FTE Consultant Practitioner posts to Clinical Therapy Service (CFE 1.12)						(454)
Transfer of 1 FTE Consultant Practitioner post to Early Help and Children's Social Care Directorate (CFE 1.4)						(61)
Movement in internal recharges						49
Inflation						(58)
						(524)
TOTAL OTHER VARIATIONS IN RESOURCE						(561)

**CHILDREN, FAMILIES & EDUCATION
EARLY HELP AND CHILDREN'S SOCIAL CARE
EARLY HELP AND CHILDREN'S SOCIAL CARE DIRECTORATE**

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1212Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
1,016	Employees	1,665	27	(589)	1,103	(34)
-	Premises related expenditure	14	-	(3)	11	(21)
415	Supplies and Services	484	-	(244)	240	(50)
106	Third Party Payments	530	-	(10)	520	(2)
2	Transfer Payments	-	-	-	-	n/a
-	Transport related expenditure	1	-	(1)	-	(100)
2,381	Recharges from other services	3,052	-	(531)	2,521	(17)
3,920	TOTAL EXPENDITURE	5,746	27	(1,378)	4,395	(24)
-	Government Grants	(44)	-	-	(44)	-
-	Other Grants, reimbursements and contributions	-	-	-	-	n/a
-	Customer and Client Receipts	-	-	-	-	n/a
-	Interest Receivable	-	-	-	-	n/a
(800)	Recharges to other services	(903)	-	16	(887)	(2)
(800)	TOTAL INCOME	(947)	-	16	(931)	(2)
3,120	NET CONTROLLABLE COST	4,799	27	(1,362)	3,464	(28)
-	Capital Charges	-	-	-	-	n/a
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
6,834	Corporate support services bought in	6,834	-	1,111	7,945	16
6,834	TOTAL UNCONTROLLABLE COST	6,834	-	1,111	7,945	16
9,954	NET COST OF SERVICE	11,633	27	(251)	11,409	(2)
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
9,954	TOTAL NET EXPENDITURE	11,633	27	(251)	11,409	(2)
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
Growth for associated costs to deal with service improvements						400
						400
<u>Strategic budget - agreed additional income / savings</u>						
Savings: Effective Corporate Centre						(44)
Savings: Supplies and Services						(50)
Review of Senior Management posts						(378)
						(472)
<u>Other resource changes</u>						
Transfer of staffing growth to Business Support (RED 2.3)						(389)
Transfer of commissioning budget to Education Standards, Safeguarding & Inclusion (CFE 2.6)						(210)
Transfer of commissioning budget to Social Work with Children Looked After and Care Leavers (CFE 1.6)						(200)
Transfer of Emotional Well Being budget from Children and Maternity Integrated Commissioning (RED 2.3)						(100)
Transfer of 1 FTE Head of Service post from 0-25 CWD and Transition Service (CFE 1.8)						90
Transfer of 1 FTE Consultant Practitioner post from Quality Assurance and Safeguarding (CFE 1.3)						61
Movement in corporate charges and internal recharges						596
Inflation						(27)
						(179)
TOTAL OTHER VARIATIONS IN RESOURCE						(251)

**CHILDREN, FAMILIES & EDUCATION
EARLY HELP AND CHILDREN'S SOCIAL CARE
SOCIAL WORK WITH FAMILIES**

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1214Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
5,703	Employees	6,270	117	234	6,621	6
1	Premises related expenditure	-	-	-	-	n/a
140	Supplies and Services	25	-	(15)	10	(60)
3,862	Third Party Payments	1,677	-	404	2,081	24
-	Transfer Payments	75	-	-	75	-
5	Transport related expenditure	-	-	-	-	n/a
(431)	Recharges from other services	557	-	(513)	44	(92)
9,280	TOTAL EXPENDITURE	8,604	117	110	8,831	3
-	Government Grants	-	-	-	-	n/a
-	Other Grants, reimbursements and contributions	-	-	-	-	n/a
-	Customer and Client Receipts	-	-	-	-	n/a
-	Interest Receivable	-	-	-	-	n/a
-	Recharges to other services	-	-	-	-	n/a
-	TOTAL INCOME	-	-	-	-	n/a
9,280	NET CONTROLLABLE COST	8,604	117	110	8,831	3
-	Capital Charges	-	-	-	-	n/a
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
-	Corporate support services bought in	-	-	-	-	n/a
-	TOTAL UNCONTROLLABLE COST	-	-	-	-	n/a
9,280	NET COST OF SERVICE	8,604	117	110	8,831	3
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
9,280	TOTAL NET EXPENDITURE	8,604	117	110	8,831	3
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						-
<u>Strategic budget - agreed additional income / savings</u>						
Savings: Effective Corporate Centre						(2)
Savings: Supplies and Services						(3)
Staffing review						(415)
						(420)
<u>Other resource changes</u>						
Transfer of Assessments budget from Social Work with Children Looked After and Care Leavers (CFE 1.6)						800
Transfer of 4 FTE Family Support Workers to Early Help and Youth Engagement (CFE 1.9)						(168)
Transfer of Section 17 budget from Early Help and Youth Engagement (CFE 1.9)						15
Inflation						(117)
						530
TOTAL OTHER VARIATIONS IN RESOURCE						110

**CHILDREN, FAMILIES & EDUCATION
EARLY HELP AND CHILDREN'S SOCIAL CARE
SOCIAL WORK WITH CHILDREN LOOKED AFTER AND CARE LEAVERS**

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1216Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
5,607	Employees	5,442	90	(343)	5,189	(5)
17	Premises related expenditure	2	-	(2)	-	(100)
783	Supplies and Services	148	-	(69)	79	(47)
25,693	Third Party Payments	24,851	473	943	26,267	6
-	Transfer Payments	36	-	-	36	-
1	Transport related expenditure	-	-	-	-	n/a
254	Recharges from other services	103	-	(95)	8	(92)
32,355	TOTAL EXPENDITURE	30,582	563	434	31,579	3
(1,137)	Government Grants	(416)	-	-	(416)	-
-	Other Grants, reimbursements and contributions	-	-	-	-	n/a
-	Customer and Client Receipts	-	-	-	-	n/a
-	Interest Receivable	-	-	-	-	n/a
(846)	Recharges to other services	(1,046)	-	115	(931)	(11)
(1,983)	TOTAL INCOME	(1,462)	-	115	(1,347)	(8)
30,372	NET CONTROLLABLE COST	29,120	563	549	30,232	4
-	Capital Charges	-	-	-	-	n/a
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
-	Corporate support services bought in	-	-	-	-	n/a
-	TOTAL UNCONTROLLABLE COST	-	-	-	-	n/a
30,372	NET COST OF SERVICE	29,120	563	549	30,232	4
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
30,372	TOTAL NET EXPENDITURE	29,120	563	549	30,232	4
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
Increased demand in Looked after Children placements						3,200
						3,200
<u>Strategic budget - agreed additional income / savings</u>						
Savings: Effective Corporate Centre						(16)
Savings: Supplies and Services						(19)
						(35)
<u>Other resource changes</u>						
Transfer of Assessments budget to Social Work with Families (CFE 1.5)						(800)
Transfer of commissioning budget from Early Help and Children's Social Care Directorate (CFE 1.4)						200
Looked after Children placement savings following review and recommissioning						(1,300)
Movement in internal recharges						(153)
Inflation						(563)
						(2,616)
TOTAL OTHER VARIATIONS IN RESOURCE						549

**CHILDREN, FAMILIES & EDUCATION
EARLY HELP AND CHILDREN'S SOCIAL CARE
SINGLE POINT OF CONTACT AND ASSESSMENTS**

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1218Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
5,261	Employees	4,661	93	(490)	4,264	(9)
27	Premises related expenditure	-	-	-	-	n/a
227	Supplies and Services	8	-	-	8	-
1	Third Party Payments	124	-	56	180	45
1	Transfer Payments	-	-	-	-	n/a
(268)	Transport related expenditure	-	-	-	-	n/a
-	Recharges from other services	360	-	(343)	17	(95)
5,249	TOTAL EXPENDITURE	5,153	93	(777)	4,469	(13)
-	Government Grants	-	-	-	-	n/a
-	Other Grants, reimbursements and contributions	-	-	-	-	n/a
-	Customer and Client Receipts	-	-	-	-	n/a
-	Interest Receivable	-	-	-	-	n/a
(19)	Recharges to other services	(19)	-	3	(16)	(16)
(19)	TOTAL INCOME	(19)	-	3	(16)	(16)
5,230	NET CONTROLLABLE COST	5,134	93	(774)	4,453	(13)
-	Capital Charges	-	-	-	-	n/a
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
-	Corporate support services bought in	-	-	-	-	n/a
-	TOTAL UNCONTROLLABLE COST	-	-	-	-	n/a
5,230	NET COST OF SERVICE	5,134	93	(774)	4,453	(13)
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
5,230	TOTAL NET EXPENDITURE	5,134	93	(774)	4,453	(13)
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
						-
<u>Strategic budget - agreed additional income / savings</u>						
Savings: Effective Corporate Centre						(1)
Savings: Supplies and Services						(1)
Review of staffing						(592)
Emergency Duty Service review						(150)
						(744)
<u>Other resource changes</u>						
Transfer of Appropriate Adults budget to Adolescent Services (CFE 1.10)						60
Movement in internal recharges						3
Inflation						(93)
						(30)
TOTAL OTHER VARIATIONS IN RESOURCE						(774)

**CHILDREN, FAMILIES & EDUCATION
EARLY HELP AND CHILDREN'S SOCIAL CARE
0-25 CHILDREN WITH DISABILITIES AND TRANSITION SERVICE**

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1221Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
3,558	Employees	3,262	64	972	4,298	32
13	Premises related expenditure	1	-	2	3	200
12	Supplies and Services	35	-	(6)	29	(17)
7,026	Third Party Payments	7,271	-	966	8,237	13
4,306	Transfer Payments	3,049	-	-	3,049	-
12	Transport related expenditure	12	-	(2)	10	(17)
85	Recharges from other services	52	-	(46)	6	(88)
15,012	TOTAL EXPENDITURE	13,682	64	1,886	15,632	n/a
-	Government Grants	-	-	-	-	n/a
-	Other Grants, reimbursements and contributions	-	-	(500)	(500)	n/a
(74)	Customer and Client Receipts	(61)	(3)	(162)	(226)	270
-	Interest Receivable	-	-	-	-	n/a
(543)	Recharges to other services	(398)	-	-	(398)	-
(617)	TOTAL INCOME	(459)	(3)	(662)	(1,124)	n/a
14,395	NET CONTROLLABLE COST	13,223	61	1,224	14,508	n/a
12	Capital Charges	12	-	-	12	-
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
-	Corporate support services bought in	-	-	-	-	n/a
12	TOTAL UNCONTROLLABLE COST	12	-	-	12	n/a
14,407	NET COST OF SERVICE	13,235	61	1,224	14,520	n/a
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
14,407	TOTAL NET EXPENDITURE	13,235	61	1,224	14,520	10
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
Increase in staffing and associated costs to deal with demand and service improvements						1,000
						1,000
<u>Strategic budget - agreed additional income / savings</u>						
Savings: Effective Corporate Centre						(3)
Savings: Supplies and Services						(3)
Health contribution to support Children Social Care placements						(500)
						(506)
<u>Other resource changes</u>						
Transfer of 18-25 growth for placements from Adult Social Care and All-Age Disability Directorate (HW 1.3)						1,000
Transfer of 1 FTE from Adult Social Care and All-Age Disability Directorate (HW 1.3)						46
Transfer of 18-25 client contributions budget from Adult Social Care and All-Age Disability Directorate (HW 1.3)						(162)
Transfer of 1 FTE Head of Service post to Early Help and Children's Social Care Directorate (CFE 1.4)						(90)
Inflation						(64)
						730
TOTAL OTHER VARIATIONS IN RESOURCE						1,224

**CHILDREN, FAMILIES & EDUCATION
EARLY HELP AND CHILDREN'S SOCIAL CARE
EARLY HELP & YOUTH ENGAGEMENT**

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1247Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
4,396	Employees	4,264	83	(491)	3,856	(10)
74	Premises related expenditure	60	-	-	60	-
983	Supplies and Services	1,098	-	(185)	913	(17)
2,007	Third Party Payments	2,443	-	(15)	2,428	(1)
-	Transfer Payments	-	-	-	-	n/a
23	Transport related expenditure	16	-	(4)	12	(25)
100	Recharges from other services	12	-	-	12	-
7,583	TOTAL EXPENDITURE	7,893	83	(695)	7,281	(8)
(1,492)	Government Grants	(1,742)	-	-	(1,742)	-
(103)	Other Grants, reimbursements and contributions	(29)	-	-	(29)	-
-	Customer and Client Receipts	-	-	-	-	n/a
-	Interest Receivable	-	-	-	-	n/a
(858)	Recharges to other services	(849)	-	-	(849)	-
(2,453)	TOTAL INCOME	(2,620)	-	-	(2,620)	-
5,130	NET CONTROLLABLE COST	5,273	83	(695)	4,661	(12)
-	Capital Charges	-	-	-	-	n/a
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
-	Corporate support services bought in	-	-	-	-	n/a
-	TOTAL UNCONTROLLABLE COST	-	-	-	-	n/a
5,130	NET COST OF SERVICE	5,273	83	(695)	4,661	(12)
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
5,130	TOTAL NET EXPENDITURE	5,273	83	(695)	4,661	(12)
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
						-
<u>Strategic budget - agreed additional income / savings</u>						
Savings: Effective Corporate Centre						(88)
Savings: Supplies and Services						(101)
						(189)
<u>Other resource changes</u>						
Transfer of 7.6 FTE Functional Family Therapist posts to Clinical Therapy Service (CFE 1.12)						(395)
Transfer of 4 FTE Family Support Workers from Social Work with Families (CFE 1.5)						168
Transfer of budget towards the formation of the Not in Education, Employment or Training (NEET) Team (CFE 2.5)						(181)
Transfer of Section 17 budget to Social Work with Families (CFE 1.5)						(15)
Inflation						(83)
						(506)
TOTAL OTHER VARIATIONS IN RESOURCE						(695)

**CHILDREN, FAMILIES & EDUCATION
EARLY HELP AND CHILDREN'S SOCIAL CARE
ADOLESCENT SERVICES**

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1260Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
3,257	Employees	3,590	72	(22)	3,640	1
3	Premises related expenditure	4	-	-	4	-
139	Supplies and Services	193	-	(37)	156	(19)
236	Third Party Payments	214	-	(60)	154	(28)
-	Transfer Payments	-	-	-	-	n/a
-	Transport related expenditure	-	-	-	-	n/a
57	Recharges from other services	67	-	(50)	17	(75)
3,692	TOTAL EXPENDITURE	4,068	72	(169)	3,971	(2)
(435)	Government Grants	(437)	-	-	(437)	-
(252)	Other Grants, reimbursements and contributions	(262)	-	-	(262)	-
-	Customer and Client Receipts	-	-	-	-	n/a
-	Interest Receivable	-	-	-	-	n/a
(262)	Recharges to other services	(262)	-	3	(259)	(1)
(949)	TOTAL INCOME	(961)	-	3	(958)	(0)
2,743	NET CONTROLLABLE COST	3,107	72	(166)	3,013	(3)
59	Capital Charges	59	-	1	60	2
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
-	Corporate support services bought in	-	-	-	-	n/a
59	TOTAL UNCONTROLLABLE COST	59	-	1	60	2
2,802	NET COST OF SERVICE	3,166	72	(165)	3,073	(3)
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
2,802	TOTAL NET EXPENDITURE	3,166	72	(165)	3,073	(3)
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
<u>Strategic budget - agreed additional income / savings</u>						
Savings: Effective Corporate Centre						(17)
Savings: Supplies and Services						(20)
						(37)
<u>Other resource changes</u>						
Movement in corporate and capital charges and internal recharges						4
Transfer of Appropriate Adults budget to SPOC and Assessments (CFE 1.7)						(60)
Inflation						(72)
						(128)
TOTAL OTHER VARIATIONS IN RESOURCE						(165)

**CHILDREN, FAMILIES & EDUCATION
EARLY HELP AND CHILDREN'S SOCIAL CARE
ASYLUM SEEKERS**

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1262Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
-	Employees	3,024	60	(60)	3,024	-
-	Premises related expenditure	-	-	-	-	n/a
-	Supplies and Services	32	-	600	632	1,875
-	Third Party Payments	15,223	-	3,450	18,673	23
-	Transfer Payments	278	-	(200)	78	(72)
-	Transport related expenditure	-	-	-	-	n/a
-	Recharges from other services	1,875	-	(168)	1,707	(9)
-	TOTAL EXPENDITURE	20,432	60	3,622	24,114	18
-	Government Grants	(17,533)	-	(2,770)	(20,303)	16
-	Other Grants, reimbursements and contributions	-	-	-	-	n/a
-	Customer and Client Receipts	-	-	-	-	n/a
-	Interest Receivable	-	-	-	-	n/a
-	Recharges to other services	-	-	-	-	n/a
-	TOTAL INCOME	(17,533)	-	(2,770)	(20,303)	16
-	NET CONTROLLABLE COST	2,899	60	852	3,811	31
-	Capital Charges	-	-	-	-	n/a
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
-	Corporate support services bought in	1,998	-	(263)	1,735	(13)
-	TOTAL UNCONTROLLABLE COST	1,998	-	(263)	1,735	(13)
-	NET COST OF SERVICE	4,897	60	589	5,546	13
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
-	TOTAL NET EXPENDITURE	4,897	60	589	5,546	13
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
Increased demand in UASC Looked after Children Placements						3,600
						3,600
<u>Strategic budget - agreed additional income / savings</u>						
Increase in Home Office funding to cover UASC pressure						(2,770)
						(2,770)
<u>Other resource changes</u>						
Movement in corporate charges and internal recharges						(181)
Inflation						(60)
						(241)
TOTAL OTHER VARIATIONS IN RESOURCE						589

**CHILDREN, FAMILIES & EDUCATION
EARLY HELP AND CHILDREN'S SOCIAL CARE
CLINICAL THERAPY SERVICE**

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1264Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
-	Employees	-	-	849	849	n/a
-	Premises related expenditure	-	-	-	-	n/a
-	Supplies and Services	-	-	-	-	n/a
-	Third Party Payments	-	-	-	-	n/a
-	Transfer Payments	-	-	-	-	n/a
-	Transport related expenditure	-	-	-	-	n/a
-	Recharges from other services	-	-	-	-	n/a
-	TOTAL EXPENDITURE	-	-	849	849	n/a
-	Government Grants	-	-	-	-	n/a
-	Other Grants, reimbursements and contributions	-	-	-	-	n/a
-	Customer and Client Receipts	-	-	-	-	n/a
-	Interest Receivable	-	-	-	-	n/a
-	Recharges to other services	-	-	-	-	n/a
-	TOTAL INCOME	-	-	-	-	n/a
-	NET CONTROLLABLE COST	-	-	849	849	n/a
-	Capital Charges	-	-	-	-	n/a
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
-	Corporate support services bought in	-	-	-	-	n/a
-	TOTAL UNCONTROLLABLE COST	-	-	-	-	n/a
-	NET COST OF SERVICE	-	-	849	849	n/a
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
-	TOTAL NET EXPENDITURE	-	-	849	849	n/a
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
<u>Strategic budget - agreed additional income / savings</u>						-
<u>Other resource changes</u>						
Transfer of 6 FTE Consultant Practitioner posts from Quality Assurance and Safeguarding (CFE 1.3)						454
Transfer of 7.6 FTE Functional Family Therapist posts from Early Help and Youth Engagement (CFE 1.9)						395
						849
TOTAL OTHER VARIATIONS IN RESOURCE						849

SERVICE DESCRIPTION

School Place Planning, Admissions and Early Years Education The service has responsibility for ensuring there are sufficient school places for every child in Croydon, implementing transparent policies and arrangements to ensure each child is allocated an appropriate place at a local school and supporting parents and carers to ensure their child's safe journey to school, in designated areas across the borough. The School Places Team is responsible for forecasting pupil demand and securing the right levels of capital funding to support changes to the school estate. They work closely with the School Delivery team in the Place Department, commissioning it to deliver expansions and improvements to meet an exceptional increase in demand for places. The sufficiency Team ensures that there are sufficient childcare places in Croydon (so far as is reasonably practicable) for working parents or parents/carers who are studying or training for employment. The Team assesses the supply of formal childcare from private day nurseries, pre-schools, schools with nursery provision, childminders (funded childminders are accredited to deliver the free entitlement on behalf of the local authority), out of school clubs and holiday clubs to secure sufficient early years education places for three and four year olds, as well as disadvantaged two year olds.

Education Commissioning & Compliance The service has responsibility for the activities that were previously commissioned through the education mutual, Octavo; 16-19 education in schools, including Not in Education, Employment, or Training (NEET) tracking; the commissioning of Alternative Provision and Pupil Referral Units and managing the traded services offer to schools.

Education Standards, Safeguarding and Inclusion The Schools Standards Service consists of the team who ensure the Council meets its statutory duties. They devise, in consultation with external partners, the key strategic school improvement priorities for the Borough and monitor progress towards them. Where schools are causing significant concern the team is responsible for exercising the Council's statutory powers of intervention. The team focuses on key themes to improve the quality of education and learning provision in Croydon identified by outcomes for children and young people in the Borough. These include improving service delivery, raising all standards, narrowing the gap for identified vulnerable groups, enriching the curriculum and building learning communities. Functions include the local authority statutory functions in relation to intervention in underperforming schools; the Virtual School for looked after children; Standing Advisory Council for Religious Education (SACRE) and Croydon Music and Arts; the Fair Access Panel; children excluded from school and statutory education welfare. A key role is to provide educational input in to the Multi-Agency Safeguarding Hub and the Local Children Safeguarding Board.

25 SEND Service The aim of the service is to provide for children with Special Educational Needs and Disabilities to allow them to achieve independence and employment, whenever possible, in or near their local community so that they can live fulfilled lives and be active contributors to Croydon's future.

MOVEMENT IN NET EXPENDITURE

COST CENTRE	SERVICE	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	Other (C) £000's		
C1235Q	Education Directorate	760	3	584	1,347	77
C1240Q	School Place Planning and Admissions	227	26	(41)	212	(7)
C1241Q	Education Commissioning & Post-16 Participation	1,078	8	173	1,259	17
C1242Q	Standards, Safeguarding and Youth Engagement	1,306	19	190	1,515	16
C1219Q	0-25 SEND Service Special Education General Fund	719	69	(88)	700	(3)
C1280Q	Early Years	21	7	(7)	21	-
C1267Q	Pupil Premium and LAC	122	13	(13)	122	-
C1266Q	Music Centre	59	16	(22)	53	(10)
	TOTAL NET SPEND	4,292	161	776	5,229	22

STAFF ESTABLISHMENT NUMBERS

SERVICE	ORIGINAL BUDGET 2019/20	ORIGINAL BUDGET 2020/21	CHANGE IN
	FTE STAFF	FTE STAFF	FTE STAFF
Education Directorate	1.0	1.0	-
School Place Planning and Admissions	43.1	28.2	(14.9)
Education Commissioning & Post-16 Participation	24.0	9.6	(14.4)
Standards, Safeguarding and Youth Engagement	21.0	20.8	(0.2)
0-25 SEND Service Special Education General Fund	7.3	8.8	1.5
0-25 SEND Service DSG Block	65.5	75.5	10.0
Early Years	7.9	4.0	(3.9)
Pupil Premium And LAC	9.0	19.0	10.0
Music Centre	18.6	19.6	1.0
TOTAL FTE STAFF	197.4	186.5	(10.9)

**CHILDREN, FAMILIES & EDUCATION
EDUCATION**

DIVISION SUBJECTIVE SUMMARY

COST CENTRE: C1220P

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
7,060	Employees	6,431	168	348	6,947	8
(61)	Premises related expenditure	25	-	52	77	208
4,147	Supplies and Services	2,863	-	(65)	2,798	(2)
1,390	Third Party Payments	2,203	-	393	2,596	18
32,016	Transfer Payments	33,018	-	582	33,600	2
172	Transport related expenditure	10	-	(2)	8	(20)
949	Recharges from other services	995	-	742	1,737	75
45,673	TOTAL EXPENDITURE	45,545	168	2,050	47,763	5
(37,450)	Government Grants	(39,977)	-	(2,547)	(42,524)	6
(2,138)	Other Grants, reimbursements and contributions	(598)	(6)	509	(95)	(84)
(797)	Customer and Client Receipts	(746)	(1)	(143)	(890)	19
-	Interest Receivable	-	-	-	-	n/a
(1,295)	Recharges to other services	(470)	-	76	(394)	(16)
(41,680)	TOTAL INCOME	(41,791)	(7)	(2,105)	(43,903)	5
3,993	NET CONTROLLABLE COST	3,754	161	(55)	3,860	3
-	Capital Charges	3	-	-	3	-
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
-	Corporate support services bought in	535	-	831	1,366	155
-	TOTAL UNCONTROLLABLE COST	538	-	831	1,369	154
3,993	NET COST OF SERVICE	4,292	161	776	5,229	22
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
3,993	TOTAL NET EXPENDITURE	4,292	161	776	5,229	22
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						-
<u>Strategic budget - agreed additional income / savings</u>						(216)
<u>Other resource changes</u>						992
TOTAL OTHER VARIATIONS IN RESOURCE						776

COST CENTRE: C1235Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
-	Employees	163	3	(3)	163	-
-	Premises related expenditure	-	-	-	-	n/a
-	Supplies and Services	-	-	-	-	n/a
-	Third Party Payments	-	-	-	-	n/a
-	Transfer Payments	-	-	-	-	n/a
163	Transport related expenditure	-	-	-	-	n/a
62	Recharges from other services	62	-	(62)	-	(100)
225	TOTAL EXPENDITURE	225	3	(65)	163	(28)
-	Government Grants	-	-	-	-	n/a
-	Other Grants, reimbursements and contributions	-	-	-	-	n/a
-	Customer and Client Receipts	-	-	(182)	(182)	n/a
-	Interest Receivable	-	-	-	-	n/a
-	Recharges to other services	-	-	-	-	n/a
-	TOTAL INCOME	-	-	(182)	(182)	n/a
225	NET CONTROLLABLE COST	225	3	(247)	(19)	(108)
-	Capital Charges	-	-	-	-	n/a
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
-	Corporate support services bought in	535	-	831	1,366	155
-	TOTAL UNCONTROLLABLE COST	535	-	831	1,366	155
225	NET COST OF SERVICE	760	3	584	1,347	77
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
225	TOTAL NET EXPENDITURE	760	3	584	1,347	77
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
Strategic budget - agreed additional income / savings						-
Savings: Supplies and Services						(85)
Savings: Effective Corporate Centre						(97)
						(182)
<u>Other resource changes</u>						
Movement in corporate recharges						831
Removal of recharges from other services						(62)
Inflation						(3)
						766
TOTAL OTHER VARIATIONS IN RESOURCE						584

**CHILDREN, FAMILIES & EDUCATION
EDUCATION
SCHOOL PLACE PLANNING AND ADMISSIONS**

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1240Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
1,125	Employees	1,309	26	(207)	1,128	(14)
6	Premises related expenditure	6	-	-	6	-
67	Supplies and Services	77	-	5	82	6
201	Third Party Payments	201	-	-	201	-
-	Transfer Payments	4,963	-	-	4,963	-
2	Transport related expenditure	4	-	(3)	1	(75)
121	Recharges from other services	90	-	-	90	-
1,522	TOTAL EXPENDITURE	6,650	26	(205)	6,471	(3)
(998)	Government Grants	(5,961)	-	-	(5,961)	-
-	Other Grants, reimbursements and contributions	-	-	-	-	n/a
(99)	Customer and Client Receipts	(91)	-	-	(91)	-
-	Interest Receivable	-	-	-	-	n/a
(200)	Recharges to other services	(371)	-	164	(207)	(44)
(1,297)	TOTAL INCOME	(6,423)	-	164	(6,259)	(3)
225	NET CONTROLLABLE COST	227	26	(41)	212	(7)
-	Capital Charges	-	-	-	-	n/a
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
-	Corporate support services bought in	-	-	-	-	n/a
-	TOTAL UNCONTROLLABLE COST	-	-	-	-	n/a
225	NET COST OF SERVICE	227	26	(41)	212	(7)
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
225	TOTAL NET EXPENDITURE	227	26	(41)	212	(7)
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
						-
<u>Strategic budget - agreed additional income / savings</u>						
Savings: Supplies and Services						(7)
Savings: Effective Corporate Centre						(8)
						(15)
<u>Other resource changes</u>						
Re-alignment of supplies and services budget						20
Re-alignment of recharges to capital budget to reflect staffing structure						164
Re-alignment of transport services budget						(3)
Reduction in the School Client Team staffing budget to reflect current structure						(181)
Inflation						(26)
						(26)
TOTAL OTHER VARIATIONS IN RESOURCE						(41)

CHILDREN, FAMILIES & EDUCATION
 EDUCATION
 EDUCATION COMMISSION & POST-16 PARTICIPATION

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1241Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
423	Employees	263	8	212	483	84
-	Premises related expenditure	-	-	-	-	n/a
1,458	Supplies and Services	815	-	(20)	795	(2)
	Third Party Payments	393	-	-	393	-
	Transfer Payments	-	-	-	-	n/a
1	Transport related expenditure	-	-	-	-	n/a
7	Recharges from other services	-	-	-	-	n/a
1,889	TOTAL EXPENDITURE	1,471	8	192	1,671	14
(44)	Government Grants	(393)	-	-	(393)	-
(349)	Other Grants, reimbursements and contributions	-	-	(19)	(19)	n/a
(13)	Customer and Client Receipts	-	-	-	-	n/a
	Interest Receivable	-	-	-	-	n/a
(238)	Recharges to other services	-	-	-	-	n/a
(644)	TOTAL INCOME	(393)	-	(19)	(412)	5
1,245	NET CONTROLLABLE COST	1,078	8	173	1,259	17
-	Capital Charges	-	-	-	-	n/a
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
-	Corporate support services bought in	-	-	-	-	n/a
-	TOTAL UNCONTROLLABLE COST	-	-	-	-	n/a
1,245	NET COST OF SERVICE	1,078	8	173	1,259	17
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
1,245	TOTAL NET EXPENDITURE	1,078	8	173	1,259	17
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
						-
<u>Strategic budget - agreed additional income / savings</u>						
						-
<u>Other resource changes</u>						
Transfer of £181k budget towards the formation of the NEET team and £39k new post created						220
Reduction in supplies and services budget to reflect new service model						(20)
Creation of additional income budget to reflect new service model						(19)
Inflation						(8)
						173
TOTAL OTHER VARIATIONS IN RESOURCE						173

**CHILDREN, FAMILIES & EDUCATION
EDUCATION
STANDARDS, SAFEGUARDING & YOUTH ENGAGEMENT**

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1242Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
2,375	Employees	2,088	20	221	2,329	12
(15)	Premises related expenditure	(15)	-	16	1	(107)
817	Supplies and Services	828	-	(109)	719	(13)
1,171	Third Party Payments	811	-	393	1,204	48
3,203	Transfer Payments	3,396	-	(1)	3,395	(0)
2	Transport related expenditure	-	-	-	-	n/a
117	Recharges from other services	60	-	(6)	54	(10)
7,670	TOTAL EXPENDITURE	7,168	20	514	7,702	7
(6,118)	Government Grants	(5,670)	-	(181)	(5,851)	3
(47)	Other Grants, reimbursements and contributions	(22)	-	-	(22)	-
(92)	Customer and Client Receipts	(71)	(1)	(55)	(127)	79
-	Interest Receivable	-	-	-	-	n/a
(124)	Recharges to other services	(99)	-	(88)	(187)	89
(6,381)	TOTAL INCOME	(5,862)	(1)	(324)	(6,187)	6
1,289	NET CONTROLLABLE COST	1,306	19	190	1,515	16
-	Capital Charges	-	-	-	-	n/a
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
-	Corporate support services bought in	-	-	-	-	n/a
-	TOTAL UNCONTROLLABLE COST	-	-	-	-	n/a
1,289	NET COST OF SERVICE	1,306	19	190	1,515	16
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
1,289	TOTAL NET EXPENDITURE	1,306	19	190	1,515	16
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
Strategic budget - agreed pressures / service demands						-
Strategic budget - agreed additional income / savings						-
Other resource changes						-
Public Health budget transferred from Early Help and Children's Social Care - C1212Q (CFE 1.4)						210
Increase to reflect current staffing establishment £165k, move 1 employee from C1280Q (CFE 2.8) £56k, inflation £20k						241
Removal of credit budgets in Premises						16
Removal of unused Supplies & Services budgets						(109)
Increase in Springboard budget to match commitments £200k, other reductions and realignments -£17k						182
Realignments of Recharges and Transfer Payments						(7)
Increase in DSG to Springboard -£200k, other reductions and realignments £19k						(181)
Additional fixed penalty notices for poor school attendance income						(55)
Additional Public Health income -£32k, adjustments of and realignments budgets -£56k						(88)
Inflation						(19)
TOTAL OTHER VARIATIONS IN RESOURCE						190

**CHILDREN, FAMILIES & EDUCATION
EDUCATION
0-25 SEND SERVICE SPECIAL EDUCATION GENERAL FUND**

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1219Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
526	Employees	486	69	(61)	494	2
-	- Premises related expenditure	(8)	-	-	(8)	-
580	Supplies and Services	100	-	(27)	73	(27)
-	- Third Party Payments	57	-	-	57	-
6	Transfer Payments	-	-	-	-	n/a
-	- Transport related expenditure	-	-	-	-	n/a
215	Recharges from other services	379	-	-	379	-
1,327	TOTAL EXPENDITURE	1,014	69	(88)	995	(2)
(295)	Government Grants	(295)	-	-	(295)	-
-	- Other Grants, reimbursements and contributions	-	-	-	-	n/a
-	- Customer and Client Receipts	-	-	-	-	n/a
-	- Interest Receivable	-	-	-	-	n/a
(224)	Recharges to other services	-	-	-	-	n/a
(519)	TOTAL INCOME	(295)	-	-	(295)	-
808	NET CONTROLLABLE COST	719	69	(88)	700	(3)
-	- Capital Charges	-	-	-	-	n/a
-	- Intangible Charges	-	-	-	-	n/a
-	- REFCUS	-	-	-	-	n/a
-	- Corporate support services bought in	-	-	-	-	n/a
-	TOTAL UNCONTROLLABLE COST	-	-	-	-	n/a
808	NET COST OF SERVICE	719	69	(88)	700	(3)
-	- Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	- Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	- Financing of Capital Expenditure	-	-	-	-	n/a
-	- Provision for Repayment of External Loans	-	-	-	-	n/a
-	- Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
808	TOTAL NET EXPENDITURE	719	69	(88)	700	(3)
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
Strategic budget - agreed pressures / service demands						-
Strategic budget - agreed additional income / savings						-
Savings: Supplies and Services						(9)
Savings: Effective Corporate Centre						(10)
						(19)
<u>Other resource changes</u>						
Inflation						(69)
						(69)
TOTAL OTHER VARIATIONS IN RESOURCE						(88)

**CHILDREN, FAMILIES & EDUCATION
EDUCATION
EARLY YEARS**

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1280Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
277	Employees	342	7	(201)	148	(57)
1	Premises related expenditure	-	-	-	-	n/a
925	Supplies and Services	812	-	-	812	-
18	Third Party Payments	741	-	-	741	-
28,031	Transfer Payments	24,659	-	-	24,659	-
1	Transport related expenditure	1	-	-	1	-
414	Recharges from other services	401	-	194	595	48
29,667	TOTAL EXPENDITURE	26,956	7	(7)	26,956	-
(29,140)	Government Grants	(26,938)	-	-	(26,938)	-
-	Other Grants, reimbursements and contributions	-	-	-	-	n/a
-	Customer and Client Receipts	-	-	-	-	n/a
-	Interest Receivable	-	-	-	-	n/a
(509)	Recharges to other services	-	-	-	-	n/a
(29,649)	TOTAL INCOME	(26,938)	-	-	(26,938)	-
18	NET CONTROLLABLE COST	18	7	(7)	18	-
-	Capital Charges	3	-	-	3	-
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
-	Corporate support services bought in	-	-	-	-	n/a
-	TOTAL UNCONTROLLABLE COST	3	-	-	3	-
18	NET COST OF SERVICE	21	7	(7)	21	-
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
18	TOTAL NET EXPENDITURE	21	7	(7)	21	-
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
						-
<u>Strategic budget - agreed additional income / savings</u>						
						-
<u>Other resource changes</u>						
Budget re-alignment to reflect Early Years Inclusion Keyworkers transfer to High Needs						(194)
Recharge budget increased to reflect expected recharge from High Needs						194
Inflation						(7)
						(7)
TOTAL OTHER VARIATIONS IN RESOURCE						(7)

**CHILDREN, FAMILIES & EDUCATION
EDUCATION
PUPIL PREMIUM AND LAC**

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1267Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
1,214	Employees	663	13	433	1,109	67
-	Premises related expenditure	-	-	-	-	n/a
141	Supplies and Services	177	-	(165)	12	(93)
-	Third Party Payments	-	-	-	-	n/a
776	Transfer Payments	-	-	583	583	n/a
3	Transport related expenditure	2	-	3	5	150
10	Recharges from other services	-	-	589	589	n/a
2,144	TOTAL EXPENDITURE	842	13	1,443	2,298	173
(855)	Government Grants	(720)	-	(1,456)	(2,176)	202
(1,166)	Other Grants, reimbursements and contributions	-	-	-	-	n/a
-	Customer and Client Receipts	-	-	-	-	n/a
-	Interest Receivable	-	-	-	-	n/a
-	Recharges to other services	-	-	-	-	n/a
(2,021)	TOTAL INCOME	(720)	-	(1,456)	(2,176)	202

123	NET CONTROLLABLE COST	122	13	(13)	122	-
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-	Capital Charges	-	-	-	-	n/a
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
-	Corporate support services bought in	-	-	-	-	n/a
-	TOTAL UNCONTROLLABLE COST	-	-	-	-	n/a

123	NET COST OF SERVICE	122	13	(13)	122	-
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-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a

123	TOTAL NET EXPENDITURE	122	13	(13)	122	-
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* OTHER VARIATIONS IN LEVEL OF EXPENDITURE	£000's
<u>Strategic budget - agreed pressures / service demands</u>	
	-
<u>Strategic budget - agreed additional income / savings</u>	
	-
<u>Other resource changes</u>	
Staffing budget for Pupil Premium team	104
Pupil Premium budget to be allocated to schools	583
Fees paid to Tutors and supply teachers from Pupil Premium	583
Removal of unused Supplies & Services Budget	(165)
Increase in Virtual Schools transport budget	3
Increase in Virtual Schools recharge budget	6
Increase in staffing budget to reflect current establishment £173k, Agency staff £183k, training budget -£14k	342
Contribution from the Schools Block (DSG) for looked after children	(150)
Grant for support salaries of Virtual Schools -£140k	(140)
Pupil Premium Grant	(1,166)
Inflation	(13)
	(13)
TOTAL OTHER VARIATIONS IN RESOURCE	(13)

COST CENTRE: C1266Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
1,120	Employees	1,117	22	(46)	1,093	(2)
(53)	Premises related expenditure	42	-	36	78	86
159	Supplies and Services	54	-	251	305	465
-	- Third Party Payments	-	-	-	-	n/a
-	- Transfer Payments	-	-	-	-	n/a
-	- Transport related expenditure	3	-	(2)	1	(67)
3	Recharges from other services	3	-	27	30	900
1,229	TOTAL EXPENDITURE	1,219	22	266	1,507	24
-	Government Grants	-	-	(910)	(910)	n/a
(576)	Other Grants, reimbursements and contributions	(576)	(6)	528	(54)	(91)
(593)	Customer and Client Receipts	(584)	-	94	(490)	(16)
-	Interest Receivable	-	-	-	-	n/a
-	Recharges to other services	-	-	-	-	n/a
(1,169)	TOTAL INCOME	(1,160)	(6)	(288)	(1,454)	25
60	NET CONTROLLABLE COST	59	16	(22)	53	(10)
-	Capital Charges	-	-	-	-	n/a
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
-	Corporate support services bought in	-	-	-	-	n/a
-	TOTAL UNCONTROLLABLE COST	-	-	-	-	n/a
60	NET COST OF SERVICE	59	16	(22)	53	(10)
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	- Financing of Capital Expenditure	-	-	-	-	n/a
-	- Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
60	TOTAL NET EXPENDITURE	59	16	(22)	53	(10)
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
Strategic budget - agreed pressures / service demands						-
Strategic budget - agreed additional income / savings						-
Other resource changes						-
Re-alignment of Music Centre budgets - Employees						(24)
Re-alignment of Music Centre budgets - Premises						36
Re-alignment of Music Centre budgets - Professional services and ICT						251
Reduction in transport budget						(2)
Increase in recharges from other services budget						27
Increase in governments grants						(288)
Inflation						(22)
						(22)
TOTAL OTHER VARIATIONS IN RESOURCE						(22)

SERVICE DESCRIPTION

This cost centre is used to charge all administration costs relating to the Directorate, including capital charges for the school budgets.

COST CENTRE	SERVICE	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	Other (C) £000's		
C1245P	Children, Families & Education Directorate	9,152	6	(152)	9,006	(2)
	TOTAL NET SPEND	9,152	6	(152)	9,006	(2)

STAFF ESTABLISHMENT NUMBERS

SERVICE	ORIGINAL BUDGET 2019/20 FTE STAFF	ORIGINAL BUDGET 2020/21 FTE STAFF	CHANGE IN FTE STAFF
Children, Families & Education Directorate	1.0	3.5	2.5
TOTAL FTE STAFF	1.0	3.5	2.5

COST CENTRE: C1245P

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
1,269	Employees	218	6	746	970	345
2	Premises related expenditure	1	-	-	1	-
174	Supplies and Services	54	-	(6)	48	(11)
5	Third Party Payments	319	-	(10)	309	(3)
-	Transfer Payments	-	-	-	-	n/a
1	Transport related expenditure	1	-	-	1	-
34	Recharges from other services	7	-	-	7	-
1,485	TOTAL EXPENDITURE	600	6	730	1,336	123
-	Government Grants	-	-	-	-	n/a
-	Other Grants, reimbursements and contributions	-	-	-	-	n/a
-	Customer and Client Receipts	-	-	-	-	n/a
-	Interest Receivable	-	-	-	-	n/a
(1,478)	Recharges to other services	(593)	-	593	-	(100)
(1,478)	TOTAL INCOME	(593)	-	593	-	(100)
7	NET CONTROLLABLE COST	7	6	1,323	1,336	18,986
9,145	Capital Charges	9,145	-	(1,545)	7,600	(17)
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
-	Corporate support services bought in	-	-	70	70	n/a
9,145	TOTAL UNCONTROLLABLE COST	9,145	-	(1,475)	7,670	(16)
9,152	NET COST OF SERVICE	9,152	6	(152)	9,006	(2)
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
9,152	TOTAL NET EXPENDITURE	9,152	6	(152)	9,006	(2)
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
Strategic budget - agreed pressures / service demands						-
Strategic budget - agreed additional income / savings						-
Savings: Effective Corporate Centre						(6)
Savings: Supplies and Services						(6)
Early Help and Children's Social Care vacancy rate reduction						(586)
Business Support decentralisation						(360)
Release of improvement resources						(333)
						(1,291)
Other resource changes						
Growth for associated costs to deal with service improvements						1,912
Transfer of 2.5 FTE Executive Support Officer posts from Business Support (RED 1.3)						115
Movement in corporate charges and internal recharges						(882)
Inflation						(6)
						1,139
TOTAL OTHER VARIATIONS IN RESOURCE						(152)

SERVICE DESCRIPTION

1) The main funding for schools is the Dedicated Schools Grant (DSG) from the Department for Education (DfE) via the Education and Skills Funding Agency (ESFA). This funding is broken down into 4 main blocks:
 i) Early Years block – this includes funding for 2, 3 and 4 year olds in nursery schools, nursery classes and private, voluntary and independent schools (PVI) and childminders. It also includes funding for some early years central services
 ii) Schools block – this includes funding for primary and secondary schools/academies and Growth Funding for items such as expansions and bulge classes. Note most funding for academies is passed directly to the academies by the Education and Skills Funding Agency (ESFA).
 iii) High Needs block – this includes the funding for the education of all Croydon responsible children and young adults with high needs from birth until age 25.
 Other funding streams from the ESFA include:
 - Pupil Premium funding for 5 to 16 year olds in mainstream schools
 - post 16 pupils bursary funding
 iv) Central Schools Services Block – this funds education services carried out by the LA and covers historic commitments such as admissions and schools forum.

2) Education establishments are broken down into the following categories and numbers:
 i) PVI - currently 227 (note settings close and open throughout the year)
 ii) Child minders – currently 131 (note child minders join and leave throughout the year)
 iii) Nursery and early years centres - 5
 iv) Primary Schools – 87 (33 Maintained, 52 Academies and 2 free schools)
 v) Secondary Schools – 23 (6 Maintained and 17 Academies)
 vi) Special Schools - 5 schools (1 setting is included within PRU's)
 vii) Pupil Referral Units (PRUs) - 2 PRUs (Previously 4 Amalgamated into 1 and counted in 1 within special schools)
 viii) All Through Schools – 1 (1 Academy)
 Note numbers above are projected as at December 2019 and are subject to change due to academy conversions.

3) All schools and PRUs have fully delegated staffing powers. Some staff who work in schools are purchased through service agreements. Some schools are now providing provision outside of the school day either directly or through the services of another organisation

4) DSG that is retained to fund LA provided services is shown on the relevant division's page of the budget book.

MOVEMENT IN NET EXPENDITURE

COST CENTRE	SERVICE	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	Other (C) £000's		
C1215P	Dedicated Schools Grant - Primary and Secondary	80,128	-	4,353	84,481	5
C1215P	Dedicated Schools Grant - Growth	3,499	-	(1,764)	1,735	(50)
C1215P	Dedicated Schools Grant - Central Schools Services Block	6,117	-	(286)	5,831	(5)
C1220Q	Dedicated Schools Grant - High Needs	58,959	-	2,547	61,506	4
C1280Q	Dedicated Schools Grant - Early Years	26,691	-	2,016	28,707	8
C1200N	Dedicated Schools Grant after ESFA recoupment & deduction	(175,394)	-	(6,866)	(182,260)	4
	TOTAL NET SPEND	-	-	-	-	n/a

STAFF ESTABLISHMENT NUMBERS

SERVICE	ORIGINAL BUDGET 2019/20 FTE STAFF	ORIGINAL BUDGET 2020/21 FTE STAFF	CHANGE IN FTE STAFF
The budgets are delegated information on staffing levels are held at school level	N/A	N/A	N/A
TOTAL FTE STAFF	-	-	-

**CHILDREN, FAMILIES & EDUCATION
SCHOOLS BUDGET
DEDICATED SCHOOLS BUDGET**

DIVISION SUBJECTIVE SUMMARY

COST CENTRE: C1215P

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
-	Schools					
-						
61,165	Primary	61,165	-	3,323	64,488	5
18,963	Secondary	18,963	-	1,030	19,993	5
3,499	Central	3,499	-	(1,764)	1,735	(50)
6,117	Central Schools Services Block	6,117	-	(286)	5,831	(5)
-					-	
89,744	TOTAL EXPENDITURE	89,744	-	2,303	92,047	3
-						
(80,128)	Dedicated Schools Grant - Primary and Secondary	(80,128)	-	(4,353)	(84,481)	5
(3,499)	Dedicated Schools Grant - Growth	(3,499)	-	1,764	(1,735)	(50)
(6,117)	Dedicated Schools Grant - Central Schools Services Bloc	(6,117)	-	286	(5,831)	(5)
-			-	-	-	n/a
-			-	-	-	
(89,744)	TOTAL INCOME	(89,744)	-	(2,303)	(92,047)	3
-					-	
-	NET EXPENDITURE	-	-	-	-	n/a

**CHILDREN, FAMILIES & EDUCATION
SCHOOLS BUDGET
DSG - SCHOOLS**

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1215P

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
-	Employees	-	-	-	-	n/a
-	Premises related expenditure	-	-	-	-	n/a
-	Supplies and Services	-	-	-	-	n/a
-	Third Party Payments	-	-	-	-	n/a
89,744	Transfer Payments	89,744	-	(3,528)	86,216	(4)
-	Transport related expenditure	-	-	-	-	n/a
-	Recharges from other services	-	-	-	-	n/a
89,744	TOTAL EXPENDITURE	89,744	-	(3,528)	86,216	(4)
(89,744)	Government Grants	(89,744)	-	3,528	(86,216)	(4)
-	Other Grants, reimbursements and contributions	-	-	-	-	n/a
-	Customer and Client Receipts	-	-	-	-	n/a
-	Interest Receivable	-	-	-	-	n/a
-	Recharges to other services	-	-	-	-	n/a
(89,744)	TOTAL INCOME	(89,744)	-	3,528	(86,216)	(4)
-	NET CONTROLLABLE COST	-	-	-	-	n/a
-	Capital Charges	-	-	-	-	n/a
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
-	Corporate support services bought in	-	-	-	-	n/a
-	TOTAL UNCONTROLLABLE COST	-	-	-	-	n/a
-	NET COST OF SERVICE	-	-	-	-	n/a
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
-	TOTAL NET EXPENDITURE	-	-	-	-	n/a
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						-
<u>Strategic budget - agreed additional income / savings</u>						-
<u>Other resource changes</u>						-
TOTAL OTHER VARIATIONS IN RESOURCE						-

**CHILDREN, FAMILIES & EDUCATION
EDUCATION
0-25 SEND SERVICE DSG BLOCK**

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1220Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
2,969	Employees	2,996		607	3,603	20
1	Premises related expenditure	1	-	-	1	-
21,977	Supplies and Services	438	-	60	498	14
1,043	Third Party Payments	14,155	-	(1,812)	12,343	(13)
29,939	Transfer Payments	29,925	-	8,932	38,857	30
15	Transport related expenditure	12	-	7	19	58
1,618	Recharges from other services	1,346	-	(21)	1,325	(2)
57,562	TOTAL EXPENDITURE	48,873	-	7,773	56,646	16
(51,325)	Government Grants	(48,109)	-	(7,580)	(55,689)	16
(509)	Other Grants, reimbursements and contributions	(387)	-	-	(387)	-
-	Customer and Client Receipts	-	-	-	-	n/a
-	Interest Receivable	-	-	-	-	n/a
(377)	Recharges to other services	(377)	-	(193)	(570)	51
(52,211)	TOTAL INCOME	(48,873)	-	(7,773)	(56,646)	16
5,351	NET CONTROLLABLE COST	-	-	-	-	n/a
-	Capital Charges	-	-	-	-	n/a
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
-	Corporate support services bought in	-	-	-	-	n/a
-	TOTAL UNCONTROLLABLE COST	-	-	-	-	n/a
5,351	NET COST OF SERVICE	-	-	-	-	n/a
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
5,351	TOTAL NET EXPENDITURE	-	-	-	-	n/a
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
						-
<u>Strategic budget - agreed additional income / savings</u>						
						-
<u>Other resource changes</u>						
						-
TOTAL OTHER VARIATIONS IN RESOURCE						-

Health, Wellbeing & Adults

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KEY SERVICE TARGETS / PRIORITIES FOR 2020/21

The Health Wellbeing and Adults Department comprises of Gateway, Housing, Adult Social Care, Public Health and Integration and Innovation Divisions. Our primary focus is to support our residents to live healthy and fulfilling lives. We do this through a range of preventative measures to reduce poverty, inequality, social isolation and increase the resilience of individuals and communities. We work in collaboration with a range of statutory and non-statutory partners. A core part of our work is to keep residents safe and protect vulnerable adults from all forms of abuse. Our aim is to ensure people's finances are maximised and their housing, care and support needs are met with our support where this is needed. We will continue to innovate and integrate services where this makes sense for residents and continue our long term ambition to reduce inequalities across the Borough. Our biggest asset is our committed workforce and we will continue to invest in them to deliver high quality services

FINANCIAL PERFORMANCE

COST CENTRE: C1400N

DESCRIPTION	ACTUAL 2018/19 £000	ORIGINAL 2019/20 £000	FORECAST 2019/20 £000	BUDGET 2020/21 £000	% CHANGE %
Employees	39,464	37,388	37,390	39,027	4
Premises related expenditure	37,055	23,255	22,014	30,912	33
Supplies and Services	5,669	4,465	6,728	3,903	(13)
Third Party Payments	118,435	108,262	119,537	112,543	4
Transfer Payments	19,227	15,718	21,872	16,133	3
Transport related expenditure	13,900	125	90	126	1
Capital Charges	2,799	379	379	308	(19)
Intangible Charges	-	-	-	17	n/a
REFCUS	-	2,900	2,900	2,900	-
Corporate support services bought in	23,144	14,298	14,298	11,136	(22)
Recharges from other services	163	19,359	20,136	17,448	(10)
TOTAL EXPENDITURE	259,856	226,149	245,343	234,453	(4)
Government Grants	(31,135)	(26,922)	(28,491)	(27,466)	2
Other Grants, reimbursements and contributions	(14,643)	(16,077)	(19,623)	(21,853)	36
Customer and Client Receipts	(46,858)	(46,417)	(49,807)	(46,246)	(0)
Interest Receivable	-	-	-	-	n/a
Recharges to other services	(28,670)	(5,462)	(6,021)	(6,356)	16
TOTAL INCOME	(121,306)	(94,878)	(103,941)	(101,921)	(2)
NET EXPENDITURE	138,550	131,271	141,401	132,532	(6)
Contributions to / (from) Reserves	-	-	-	-	n/a
CURRENT BUDGET	136,843		130,962		
TOTAL VARIANCE FROM BUDGET- Over/(Under)	1,707		10,439		

TOP FINANCIAL RISKS 2020/21

Market sustainability
· Increased costs to prevent provider failure
· Increased costs for re-provision of services following provider withdrawal from the market or provider failure
· current and future provision of long-term supported housing and for short-term provision for people with support needs
Demand
- Demand led pressures increases the financial commitment significantly
- Increase in demand for services by people previously funded by the NHS for Continuing Health Care or Transforming Care
- Increase of people funding their own care depleting resources and coming under national thresholds
Non-achievement of adult social care transformation and efficiencies due to complex interdependencies

HEALTH, WELLBEING & ADULTS

DEPARTMENT SUMMARY

CABINET MEMBER

Cllr Jane Avis	Cabinet Member for Families, Health & Social Care
Cllr Alison Butler	Cabinet Member for Homes and Gateway Services
Cllr Hamida Ali	Cabinet Member for Safer Croydon & Communities
Cllr Oliver Lewis	Cabinet Member for Culture, Leisure & Sport

DEPARTMENT MANAGEMENT TEAM

NAME	TITLE	TEL. EX.
Guy Van Dichele	Executive Director Health, Wellbeing & Adults Department	50193
Annette McPartland	Director - Adult Social Care and All-Age Disability	13344
Rachel Soni	Director - Integration and Innovation	61640
Rachel Flowers	Director - Public Health	65596
Julia Pitt	Director of Gateway Services	62173
Yvonne Murray	Director of Housing Assessments & Solutions	61576

COST CENTRE	DIVISION
C1410P	Adult Social Care And All-Age Disability
C1662P	Public Health
C1250P	Gateway Services
C1420P	Housing Assessment & Solutions

MOVEMENT IN SERVICE NET EXPENDITURE

FORECAST 2019/20 £000's	DIVISION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	Other (C) £000's		
104,259	Adult Social Care And All-Age Disability	96,169	285	369	96,823	1
-	Public Health	-	-	-	-	n/a
28,479	Gateway Services	26,919	260	574	27,753	3
8,663	Housing Assessment & Solutions	8,183	318	(552)	7,949	(3)
-	Gateway, Strategy & Engagement Directorat	-	-	-	-	n/a
141,401	TOTAL NET SPEND	131,271	863	391	132,525	1

STAFF ESTABLISHMENT NUMBERS

DIVISION	ORIGINAL BUDGET 2019/20 FTE STAFF	ORIGINAL BUDGET 2020/21 FTE STAFF	CHANGE IN FTE FTE STAFF
Adult Social Care and All-Age Disability (AAD)	546.8	539.7	(7.1)
Public Health	20.9	20.9	-
Gateway Services	253.6	242.2	(11.4)
Housing Assessment & Solutions	89.5	80.9	(8.6)
TOTAL FTE STAFF	910.8	883.7	(27.1)

STAFF ESTABLISHMENT NUMBERS - REASONS FOR VARIATIONS

2 FTE from Resources - Executive Assistants
6 FTE Transfer to Older People from Safeguarding
-15 FTE From Safeguarding to Older People and creation of Front Door in Gateway

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
37,390	Employees	37,388	729	910	39,027	4
22,014	Premises related expenditure	23,255	245	7,412	30,912	33
6,728	Supplies and Services	4,465	-	(562)	3,903	(13)
119,537	Third Party Payments	108,262	47	4,234	112,543	4
21,872	Transfer Payments	15,718	-	415	16,133	3
90	Transport related expenditure	125	-	1	126	1
20,136	Recharges from other services	19,359	-	(1,911)	17,448	(10)
227,766	TOTAL EXPENDITURE	208,572	1,021	10,499	220,092	6
(28,491)	Government Grants	(26,922)	-	(544)	(27,466)	2
(19,623)	Other Grants, reimbursements and contributions	(16,077)	-	(5,776)	(21,853)	36
(49,807)	Customer and Client Receipts	(46,417)	(158)	329	(46,246)	(0)
-	Interest Receivable	-	-	-	-	n/a
(6,021)	Recharges to other services	(5,462)	-	(894)	(6,356)	16
(103,941)	TOTAL INCOME	(94,878)	(158)	(6,885)	(101,921)	7
123,824	NET CONTROLLABLE COST	113,694	863	3,614	118,171	4
379	Capital Charges	379	-	(71)	308	(19)
-	Intangible Charges	-	-	17	17	n/a
2,900	REFCUS	2,900	-	-	2,900	-
14,298	Corporate support services bought in	14,298	-	(3,162)	11,136	(22)
17,577	TOTAL UNCONTROLLABLE COST	17,577	-	(3,216)	14,361	(18)
141,401	NET COST OF SERVICE	131,271	863	398	132,532	1
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
141,401	TOTAL NET EXPENDITURE	131,271	863	398	132,532	1
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
Strategic budget - agreed pressures / service demands						18,745
Strategic budget - agreed additional income / savings						(14,253)
Other resource changes						(4,094)
TOTAL OTHER VARIATIONS IN RESOURCE						398

SERVICE DESCRIPTION

The Adult Social Care and All Age Disability Division undertakes the Councils statutory social services functions. It provides for the requirements under The Care Act 2014 and other legislation such as the Mental Health Act. Providing both universal services such as information, advice, advocacy and assessment as well as more specialist personalised services in accordance with individuals assessed needs and improved outcomes for both individuals and the wider community within its allocated resources. The Council coordinates the safeguarding of vulnerable adults alongside the Police and NHS. Care and support will be provided either directly from Council Services or through Council commissioned services with other independent and voluntary sector agencies. The Division also works closely with other parts of the Council such as Children's, Housing, Gateway and Public Health as well as partners such as the NHS to deliver integrated care and support where possible. A major element of health and social care integration is the evolution One Croydon to an all age population model.

Our priority is to support residents and their families with care and support needs. We will focus on prevention and early intervention, maximise the life chances and outcomes for residents, based on a "whole family approach" to services; through better coordination and integration of services.

MOVEMENT IN NET EXPENDITURE

COST CENTRE	SERVICE	ORIGINAL BUDGET	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET	% CHANGE
		2019/20	Inflation	Other	2020/21	
		(A) £000's	(B) £000's	(C) £000's	(D) £000's	
C1410Q	Adult Social Care And All-Age Disability Directorate	10,153	11	(899)	9,265	(9)
C1412Q	Adult Safeguarding And Quality Assurance	3,637	36	(794)	2,879	(21)
C1415Q	Disability Commissioning And Brokerage	439	5	(5)	439	-
C1416Q	25-65 Disability	40,784	33	(984)	39,833	(2)
C1420Q	Transformation And Clienting	731	1	924	1,656	127
C1430Q	Adult Mental Health Social Care	7,712	57	1,151	8,920	16
C1431Q	Day Services	1,797	60	479	2,336	30
C1432Q	OBC Commissioning	8,399	(28)	755	9,126	9
C1433Q	OBC Provider Services - Social Care	22,517	110	(258)	22,369	(1)
	TOTAL NET SPEND	96,169	285	369	96,823	148

STAFF ESTABLISHMENT NUMBERS

SERVICE	ORIGINAL BUDGET	ORIGINAL BUDGET	CHANGE IN
	2019/20 FTE STAFF	2020/21 FTE STAFF	FTE STAFF
Adult Social Care And All-Age Disability Directorate	9.0	11.0	2.0
Adult Safeguarding And Quality Assurance	54.0	39.0	(15.0)
Disability Commissioning And Brokerage	8.8	8.8	(0.0)
25-65 Disability	74.4	74.4	-
Transformation And Clienting	12.6	12.6	(0.0)
Adult Mental Health Social Care	64.5	64.5	-
Day Services	81.7	81.7	-
OBC Commissioning	34.0	34.0	-
OBC Provider Services - Social Care	207.7	213.7	6.0
TOTAL FTE STAFF	546.8	539.7	(7.1)

HEALTH, WELLBEING & ADULTS ADULT SOCIAL CARE AND ALL-AGE DISABILITY			DIVISION SUBJECTIVE SUMMARY			
COST CENTRE: C1410P						
FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
21,006	Employees	21,699	426	513	22,638	4
128	Premises related expenditure	(70)	-	(10)	(80)	14
4,886	Supplies and Services	2,939	-	(1,570)	1,369	(53)
81,182	Third Party Payments	71,981	-	10,554	82,535	15
21,768	Transfer Payments	15,647	-	415	16,062	3
59	Transport related expenditure	67	-	-	67	-
9,096	Recharges from other services	7,871	-	493	8,364	6
138,125	TOTAL EXPENDITURE	120,134	426	10,395	130,955	9
(1,044)	Government Grants	(1,044)	-	-	(1,044)	-
(19,116)	Other Grants, reimbursements and contributions	(15,455)	-	(6,000)	(21,455)	39
(19,902)	Customer and Client Receipts	(14,246)	(141)	(2,097)	(16,484)	16
-	Interest Receivable	-	-	-	-	n/a
(3,961)	Recharges to other services	(3,377)	-	-	(3,377)	-
(44,023)	TOTAL INCOME	(34,122)	(141)	(8,097)	(42,360)	24
94,102	NET CONTROLLABLE COST	86,012	285	2,298	88,595	3
110	Capital Charges	110	-	(3)	107	(3)
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
10,047	Corporate support services bought in	10,047	-	(1,926)	8,121	(19)
10,157	TOTAL UNCONTROLLABLE COST	10,157	-	(1,929)	8,228	(19)
104,259	NET COST OF SERVICE	96,169	285	369	96,823	1
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
104,259	TOTAL NET EXPENDITURE	96,169	285	369	96,823	1
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						17,420
<u>Strategic budget - agreed additional income / savings</u>						(7,266)
<u>Other resource changes</u>						(11,164)
TOTAL OTHER VARIATIONS IN RESOURCE						(1,010)

**HEALTH, WELLBEING & ADULTS
ADULT SOCIAL CARE AND ALL-AGE DISABILITY
ADULT SOCIAL CARE AND ALL-AGE DISABILITY DIRECTORATE**

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1410Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
689	Employees	539	11	83	633	17
	Premises related expenditure	-	-	-	-	n/a
171	Supplies and Services	(648)	-	(1,321)	(1,969)	204
509	Third Party Payments	672	-	2,265	2,937	337
-	Transfer Payments	-	-	-	-	n/a
-	Transport related expenditure	-	-	-	-	n/a
101	Recharges from other services	73	-	-	73	-
1,470	TOTAL EXPENDITURE	636	11	1,027	1,674	163
-	Government Grants	-	-	-	-	n/a
(613)	Other Grants, reimbursements and contributions	(150)	-	-	(150)	-
-	Customer and Client Receipts	-	-	-	-	n/a
-	Interest Receivable	-	-	-	-	n/a
(380)	Recharges to other services	(380)	-	-	(380)	-
(993)	TOTAL INCOME	(530)	-	-	(530)	-
477	NET CONTROLLABLE COST	106	11	1,027	1,144	979
-	Capital Charges	-	-	-	-	n/a
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
10,047	Corporate support services bought in	10,047	-	(1,926)	8,121	(19)
10,047	TOTAL UNCONTROLLABLE COST	10,047	-	(1,926)	8,121	(19)
10,524	NET COST OF SERVICE	10,153	11	(899)	9,265	(9)
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
10,524	TOTAL NET EXPENDITURE	10,153	11	(899)	9,265	(9)
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
Adult Social Care Population Growth						200
Additional Growth based on current run rate						2,000
						2,200
<u>Strategic budget - agreed additional income / savings</u>						
<u>Other resource changes</u>						
Transfer of prior year savings from Gateway ref HW3.3						(1,200)
Redistribution of Public Health funding						1,580
Realignment of Budgets						(1,118)
Reduction in corporate charges						(1,926)
Virements: Devolved executive assistants (2 FTE) from Resources						94
Virements: Growth transfer to CWD and Calleydown						(1,046)
Virements: Realignment of Budget for growth in care and new charging policy HW1.8						(876)
Virements: Realignment of funding to Cherry Orchard Day Centre HW1.9						(60)
Virements: Transfer of Savings relating to implementation of new charging policy HW1.11 & HW1.6						2,259
Virements: Realignment of budget saving for new charging policy HW1.10						30
Virements: Funding for Projects from HW1.7						75
Virements: Reallocation of 201920 Staff Savings ref HW1.7 and HW1.11						(900)
Salary Inflation						(11)
						(3,099)
TOTAL OTHER VARIATIONS IN RESOURCE						(899)

**HEALTH, WELLBEING & ADULTS
ADULT SOCIAL CARE AND ALL-AGE DISABILITY
ADULT SAFEGUARDING AND QUALITY ASSURANCE**

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1412Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
1,598	Employees	2,560	36	(794)	1,802	(30)
-	- Premises related expenditure	1			1	-
498	Supplies and Services	1,105			1,105	-
53	Third Party Payments	-			-	n/a
-	- Transfer Payments	-			-	n/a
(19)	Transport related expenditure	3			3	-
100	Recharges from other services	58			58	-
2,230	TOTAL EXPENDITURE	3,727	36	(794)	2,969	(20)
-	- Government Grants	-			-	n/a
(68)	Other Grants, reimbursements and contributions	(90)			(90)	-
-	- Customer and Client Receipts	-			-	n/a
-	- Interest Receivable	-			-	n/a
-	- Recharges to other services	-			-	n/a
(68)	TOTAL INCOME	(90)	-	-	(90)	-
2,162	NET CONTROLLABLE COST	3,637	36	(794)	2,879	(21)
-	- Capital Charges	-			-	n/a
-	- Intangible Charges	-			-	n/a
-	- REFCUS	-			-	n/a
-	- Corporate support services bought in	-			-	n/a
-	TOTAL UNCONTROLLABLE COST	-	-	-	-	n/a
2,162	NET COST OF SERVICE	3,637	36	(794)	2,879	(21)
-	- Contributions to / (from) Earmarked Reserves	-			-	n/a
-	- Contributions to / (from) Capital Reserves:	-			-	n/a
-	- Financing of Capital Expenditure	-			-	n/a
-	- Provision for Repayment of External Loans	-			-	n/a
-	- Contribution to / (from) General Balances	-			-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
2,162	TOTAL NET EXPENDITURE	3,637	36	(794)	2,879	(21)
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
Strategic budget - agreed pressures / service demands						
Strategic budget - agreed additional income / savings						
Other resource changes						
Virement : establishment of Adult Social Care Front door HW 3.7						(723)
Virement : establishment of Localities HW 1.11						(35)
Salary Inflation						(36)
						(794)
TOTAL OTHER VARIATIONS IN RESOURCE						(794)

HEALTH, WELLBEING & ADULTS
ADULT SOCIAL CARE AND ALL-AGE DISABILITY
DISABILITY COMMISSIONING AND BROKERAGE

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1415Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
267	Employees	271	5	(5)	271	-
-	Premises related expenditure	-			-	n/a
22	Supplies and Services	22			22	-
145	Third Party Payments	146			146	-
-	Transfer Payments	-			-	n/a
-	Transport related expenditure	-			-	n/a
5	Recharges from other services	-			-	n/a
439	TOTAL EXPENDITURE	439	5	(5)	439	-
-	Government Grants	-			-	n/a
-	Other Grants, reimbursements and contributions	-			-	n/a
-	Customer and Client Receipts	-			-	n/a
-	Interest Receivable	-			-	n/a
-	Recharges to other services	-			-	n/a
-	TOTAL INCOME	-	-	-	-	n/a
439	NET CONTROLLABLE COST	439	5	(5)	439	-
-	Capital Charges	-			-	n/a
-	Intangible Charges	-			-	n/a
-	REFCUS	-			-	n/a
-	Corporate support services bought in	-			-	n/a
-	TOTAL UNCONTROLLABLE COST	-	-	-	-	n/a
439	NET COST OF SERVICE	439	5	(5)	439	-
-	Contributions to / (from) Earmarked Reserves	-			-	n/a
-	Contributions to / (from) Capital Reserves:	-			-	n/a
-	Financing of Capital Expenditure	-			-	n/a
-	Provision for Repayment of External Loans	-			-	n/a
-	Contribution to / (from) General Balances	-			-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
439	TOTAL NET EXPENDITURE	439	5	(5)	439	-
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
<u>Strategic budget - agreed additional income / savings</u>						
<u>Other resource changes</u>						
Salary Inflation						(5)
						(5)
TOTAL OTHER VARIATIONS IN RESOURCE						(5)

**HEALTH, WELLBEING & ADULTS
ADULT SOCIAL CARE AND ALL-AGE DISABILITY
25-65 DISABILITY**

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1416Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
2,977	Employees	2,975	60	(60)	2,975	-
-	Premises related expenditure	-	-	-	-	n/a
54	Supplies and Services	11	-	-	11	-
29,417	Third Party Payments	30,620	-	725	31,345	2
18,467	Transfer Payments	14,844	-	(665)	14,179	(4)
10	Transport related expenditure	4	-	-	4	-
545	Recharges from other services	206	-	-	206	-
51,470	TOTAL EXPENDITURE	48,660	60	-	48,720	0
(979)	Government Grants	(979)	-	-	(979)	-
(2,842)	Other Grants, reimbursements and contributions	(3,362)	-	-	(3,362)	-
(3,866)	Customer and Client Receipts	(3,535)	(27)	(984)	(4,546)	29
-	Interest Receivable	-	-	-	-	n/a
(433)	Recharges to other services	-	-	-	-	n/a
(8,120)	TOTAL INCOME	(7,876)	(27)	(984)	(8,887)	13
43,350	NET CONTROLLABLE COST	40,784	33	(984)	39,833	(2)
-	Capital Charges	-	-	-	-	n/a
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
-	Corporate support services bought in	-	-	-	-	n/a
-	TOTAL UNCONTROLLABLE COST	-	-	-	-	n/a
43,350	NET COST OF SERVICE	40,784	33	(984)	39,833	(2)
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
43,350	TOTAL NET EXPENDITURE	40,784	33	(984)	39,833	(2)
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
Adult Social Care growth 25-65						2,000
Adult Social Care Population Growth						1,720
Cost of providing support to UASC population						2,000
						5,720
<u>Strategic budget - agreed additional income / savings</u>						
Managing demand in Adult Social Care						(5,660)
						(5,660)
<u>Other resource changes</u>						
Virement: Transfer of savings relating to implementation of new charging policy. HWA 1.3						(984)
Salary inflation						(60)
						(1,044)
TOTAL OTHER VARIATIONS IN RESOURCE						(984)

HEALTH, WELLBEING & ADULTS
ADULT SOCIAL CARE AND ALL-AGE DISABILITY
TRANSFORMATION AND CLIENTING

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1420Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
947	Employees	73	1	(1)	73	-
7	Premises related expenditure	-			-	n/a
1,078	Supplies and Services	1,462			1,462	-
(1,634)	Third Party Payments	-		(75)	(75)	n/a
	Transfer Payments	(804)		1,000	196	(124)
	Transport related expenditure	-			-	n/a
7,342	Recharges from other services	7,317			7,317	-
7,740	TOTAL EXPENDITURE	8,048	1	924	8,973	11
-	Government Grants	-			-	n/a
(8,014)	Other Grants, reimbursements and contributions	(7,317)			(7,317)	-
-	Customer and Client Receipts	-			-	n/a
-	Interest Receivable	-			-	n/a
-	Recharges to other services	-			-	n/a
(8,014)	TOTAL INCOME	(7,317)	-	-	(7,317)	-
(274)	NET CONTROLLABLE COST	731	1	924	1,656	127
-	Capital Charges	-			-	n/a
-	Intangible Charges	-			-	n/a
-	REFCUS	-			-	n/a
-	Corporate support services bought in	-			-	n/a
-	TOTAL UNCONTROLLABLE COST	-	-	-	-	n/a
(274)	NET COST OF SERVICE	731	1	924	1,656	127
-	Contributions to / (from) Earmarked Reserves	-			-	n/a
-	Contributions to / (from) Capital Reserves:	-			-	n/a
-	Financing of Capital Expenditure	-			-	n/a
-	Provision for Repayment of External Loans	-			-	n/a
-	Contribution to / (from) General Balances	-			-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
(274)	TOTAL NET EXPENDITURE	731	1	924	1,656	127
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
Strategic budget - agreed pressures / service demands						
						-
Strategic budget - agreed additional income / savings						
						-
Other resource changes						
Salary Inflation						(1)
Funding for Projects within HWA to ref HW1.3						(75)
Transfer Staff Savings ref HW1.3 and HW1.11						1,000
						924
TOTAL OTHER VARIATIONS IN RESOURCE						924

HEALTH, WELLBEING & ADULTS
ADULT SOCIAL CARE AND ALL-AGE DISABILITY
ADULT MENTAL HEALTH SOCIAL CARE

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1430Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
2,468	Employees	3,004	59	(59)	3,004	-
-	Premises related expenditure	-			-	n/a
48	Supplies and Services	16			16	-
7,867	Third Party Payments	6,607	-	1,178	7,785	18
1,327	Transfer Payments	663	-	80	743	12
35	Transport related expenditure	26			26	-
129	Recharges from other services	10			10	-
11,874	TOTAL EXPENDITURE	10,326	59	1,199	11,584	12
(65)	Government Grants	(65)			(65)	-
(1,929)	Other Grants, reimbursements and contributions	(1,169)			(1,169)	-
(486)	Customer and Client Receipts	(459)	(2)	(46)	(507)	10
-	Interest Receivable	-			-	n/a
(914)	Recharges to other services	(923)			(923)	-
(3,394)	TOTAL INCOME	(2,616)	(2)	(46)	(2,664)	2
8,480	NET CONTROLLABLE COST	7,710	57	1,153	8,920	16
2	Capital Charges	2		(2)	-	(100)
-	Intangible Charges	-			-	n/a
-	REFCUS	-			-	n/a
-	Corporate support services bought in	-			-	n/a
2	TOTAL UNCONTROLLABLE COST	2	-	(2)	-	(100)
8,482	NET COST OF SERVICE	7,712	57	1,151	8,920	16
-	Contributions to / (from) Earmarked Reserves	-			-	n/a
-	Contributions to / (from) Capital Reserves:	-			-	n/a
-	Financing of Capital Expenditure	-			-	n/a
-	Provision for Repayment of External Loans	-			-	n/a
-	Contribution to / (from) General Balances	-			-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
8,482	TOTAL NET EXPENDITURE	7,712	57	1,151	8,920	16
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
Additional Growth based on current run rate						1,000
						1,000
<u>Strategic budget - agreed additional income / savings</u>						
Community opportunities to be provided by CALAT						(180)
						(180)
<u>Other resource changes</u>						
Virement: Realignment of funding for growth from HW1.3						438
Salary Inflation						(59)
Virement: Transfer of savings relating to implementation of new charging policy. HWA1.3						(46)
Change in depreciation						(2)
						331
TOTAL OTHER VARIATIONS IN RESOURCE						1,151

HEALTH, WELLBEING & ADULTS
ADULT SOCIAL CARE AND ALL-AGE DISABILITY
DAY SERVICES

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1431Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
2,108	Employees	2,984	60	(60)	2,984	-
25	Premises related expenditure	(261)			(261)	-
76	Supplies and Services	(507)		-	(507)	-
2,497	Third Party Payments	70			70	-
-	Transfer Payments	-			-	n/a
-	Transport related expenditure	4			4	-
602	Recharges from other services	34		541	575	1,591
5,308	TOTAL EXPENDITURE	2,324	60	481	2,865	23
-	Government Grants	-			-	n/a
(199)	Other Grants, reimbursements and contributions	(75)			(75)	-
(2,247)	Customer and Client Receipts	(75)			(75)	-
-	Interest Receivable	-			-	n/a
(454)	Recharges to other services	(450)			(450)	-
(2,900)	TOTAL INCOME	(600)	-	-	(600)	-
2,408	NET CONTROLLABLE COST	1,724	60	481	2,265	31
73	Capital Charges	73		(2)	71	(3)
-	Intangible Charges	-			-	n/a
-	REFCUS	-			-	n/a
-	Corporate support services bought in	-			-	n/a
73	TOTAL UNCONTROLLABLE COST	73	-	(2)	71	(3)
2,481	NET COST OF SERVICE	1,797	60	479	2,336	30
-	Contributions to / (from) Earmarked Reserves	-			-	n/a
-	Contributions to / (from) Capital Reserves:	-			-	n/a
-	Financing of Capital Expenditure	-			-	n/a
-	Provision for Repayment of External Loans	-			-	n/a
-	Contribution to / (from) General Balances	-			-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
2,481	TOTAL NET EXPENDITURE	1,797	60	479	2,336	30
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
<u>Strategic budget - agreed additional income / savings</u>						
Other resource changes						
Growth budget realignment for Facilities Management ref HW1.3						60
Change in depreciation						(2)
Income transfer from Commissioning and Procurement for placements to shared Lives from ref Red2.11						481
Salary Inflation						(60)
						479
TOTAL OTHER VARIATIONS IN RESOURCE						479

**HEALTH, WELLBEING & ADULTS
ADULT SOCIAL CARE AND ALL-AGE DISABILITY
OBC COMMISSIONING**

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1432Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
-	Employees	-	-	1,500	1,500	n/a
67	Premises related expenditure	155	-	(10)	145	(6)
2,829	Supplies and Services	1,364	-	(149)	1,215	(11)
11,360	Third Party Payments	10,745	-	(539)	10,206	(5)
-	Transfer Payments	-	-	-	-	n/a
-	Transport related expenditure	-	-	-	-	n/a
52	Recharges from other services	58	-	(48)	10	(83)
14,308	TOTAL EXPENDITURE	12,322	-	754	13,076	6
-	Government Grants	-	-	-	-	n/a
(1,751)	Other Grants, reimbursements and contributions	-	-	-	-	n/a
(3,103)	Customer and Client Receipts	(3,324)	(28)	-	(3,352)	1
-	Interest Receivable	-	-	-	-	n/a
(780)	Recharges to other services	(624)	-	-	(624)	-
(5,634)	TOTAL INCOME	(3,948)	(28)	-	(3,976)	1
8,674	NET CONTROLLABLE COST	8,374	(28)	754	9,100	9
25	Capital Charges	25	-	1	26	4
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
-	Corporate support services bought in	-	-	-	-	n/a
25	TOTAL UNCONTROLLABLE COST	25	-	1	26	4
8,699	NET COST OF SERVICE	8,399	(28)	755	9,126	9
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
8,699	TOTAL NET EXPENDITURE	8,399	(28)	755	9,126	9
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
Investment in Special Sheltered and Care homes (insourcing strategy)						1,500
						1,500
<u>Strategic budget - agreed additional income / savings</u>						
Supplies & services						(73)
Effective corporate centre						(63)
Age UK Croydon info/advice contract renegotiation						(100)
Supported Housing contracts review						(180)
Review of historical CHS funding						(300)
						(716)
<u>Other resource changes</u>						
Change in depreciation						1
Virement : transfer of 19/20 savings for meal service provision (HW1.7)						(30)
						(29)
TOTAL OTHER VARIATIONS IN RESOURCE						755

HEALTH, WELLBEING & ADULTS
ADULT SOCIAL CARE AND ALL-AGE DISABILITY
OBC PROVIDER SERVICES - SOCIAL CARE

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1433Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
9,953	Employees	9,293	194	(91)	9,396	1
29	Premises related expenditure	35	-	-	35	-
110	Supplies and Services	114	-	(100)	14	(88)
30,968	Third Party Payments	23,121	-	7,000	30,121	30
1,974	Transfer Payments	944	-	-	944	-
33	Transport related expenditure	30	-	-	30	-
221	Recharges from other services	115	-	-	115	-
43,286	TOTAL EXPENDITURE	33,652	194	6,809	40,655	21
-	Government Grants	-	-	-	-	n/a
(3,701)	Other Grants, reimbursements and contribu	(3,292)	-	(6,000)	(9,292)	182
(10,199)	Customer and Client Receipts	(6,853)	(84)	(1,067)	(8,004)	17
-	Interest Receivable	-	-	-	-	n/a
(1,000)	Recharges to other services	(1,000)	-	-	(1,000)	-
(14,900)	TOTAL INCOME	(11,145)	(84)	(7,067)	(18,296)	64
28,386	NET CONTROLLABLE COST	22,507	110	(258)	22,359	(1)
10	Capital Charges	10	-	-	10	-
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
-	Corporate support services bought in	-	-	-	-	n/a
10	TOTAL UNCONTROLLABLE COST	10	-	-	10	-
28,396	NET COST OF SERVICE	22,517	110	(258)	22,369	(1)
-	Contributions to / (from) Earmarked Reser	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Lo	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
28,396	TOTAL NET EXPENDITURE	22,517	110	(258)	22,369	(1)
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
Strategic budget - agreed pressures / service demands						7,000
Additional Growth based on current run rate						7,000
Strategic budget - agreed additional income / savings						(6,000)
Health Contribution						(370)
Reduction of Occupational Therapy provision						(6,370)
Other resource changes						(1,067)
Virement: Transfer of savings relating to implementation of new charging policy. HW1.3						438
Virement: Growth for establishment of Localities HW 1.3						35
Virement: Funding of Localities restructure HW 1.4						(100)
Virement: 2019/20 Staffing savings realignment HW1.7						(194)
Salary Inflation						(888)
TOTAL OTHER VARIATIONS IN RESOURCE						(258)

SERVICE DESCRIPTION

The Director of Public Health, a statutory appointment, and her team are required to provide a range of statutory responsibilities and, as such, have a specialist skill set- all the senior team are considered equivalent, by the Royal Colleges and GMC, to medical consultants in hospital settings. Public health is funded by a ring-fenced grant to provide a range of services detailed below.

The public health specialists provide public health advice and expertise to commissioners of health care for Croydon residents, across the integrated care system including SW London, and providing information and advice to other agencies such as Public Health England and NHS England. This information and advice ensures that the health of our residents is protected through vaccination and immunisation, health screening and emergency planning. The Director is also responsible to ensure that a range of services are commissioned which include Health visiting & School nursing (public health nursing), sexual health services, drug and alcohol services, obesity prevention and management (including child measurement) and NHS Health Checks. These functions are funded by the Public Health Grant.

Public health management covers core staffing and operating costs for the division.

In addition to the core services and core team the public health ring-fence has been used to fund a range of Croydon Council services that contribute to the health and wellbeing of the people of Croydon.

Public Health Contracts and Funding covers the following areas:

- ~ Sexual and reproductive health covers a range of mandatory public health services, most of which are provided through the NHS
- ~ Health protection covers services to protect the health of the population including environmental health
- ~ Behaviour change covers both mandatory and non-mandatory services to support individuals lead healthier lifestyles. They are delivered by a range of external and internal providers.
- ~ Children's public health services covers mainly mandatory services most of which are delivered by external NHS providers.
- ~ Targeted public health projects are mainly non-mandatory services many of which are delivered by internal council providers but also through the Third Sector and the NHS.
- ~ Substance misuse services covers prevention and harm reduction, mainly delivered by external providers
- ~ Wider determinants covers projects to improve health by addressing economic and social factors impacting health (e.g. housing, income, education). They are mainly delivered by internal council services however also the wider integration agenda.

MOVEMENT IN NET EXPENDITURE

COST CENTRE	SERVICE	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	Other (C) £000's		
C1691Q	Public Health Management	(19,473)	-	2,128	(17,345)	(11)
C1692Q	Public Health Contracts And Funding	19,473	-	(2,128)	17,345	(11)
	TOTAL NET SPEND	-	-	-	-	n/a

STAFF ESTABLISHMENT NUMBERS

SERVICE	ORIGINAL BUDGET 2019/20 FTE STAFF	ORIGINAL BUDGET 2020/21 FTE STAFF	CHANGE IN FTE STAFF
Public Health Management	20.9	20.9	-
Public Health Contracts And Funding			
TOTAL FTE STAFF	20.9	20.9	-

COST CENTRE: C1662P

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
1,800	Employees	1,533	-	(147)	1,386	(10)
-	Premises related expenditure	10	-	(10)	-	(100)
67	Supplies and Services	97	-	1,464	1,561	1,509
8,140	Third Party Payments	7,465	-	1,333	8,798	18
-	Transfer Payments	-	-	-	-	n/a
0	Transport related expenditure	-	-	-	-	n/a
10,576	Recharges from other services	11,232	-	(2,095)	9,137	(19)
20,584	TOTAL EXPENDITURE	20,337	-	545	20,882	3
(21,015)	Government Grants	(20,830)	-	(590)	(21,420)	3
(62)	Other Grants, reimbursements and contributions	(110)	-	45	(65)	(41)
-	Customer and Client Receipts	-	-	-	-	n/a
-	Interest Receivable	-	-	-	-	n/a
(110)	Recharges to other services	-	-	-	-	n/a
(21,187)	TOTAL INCOME	(20,940)	-	(545)	(21,485)	3
(603)	NET CONTROLLABLE COST	(603)	-	-	(603)	-
-	Capital Charges	-	-	-	-	n/a
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
603	Corporate support services bought in	603	-	-	603	-
603	TOTAL UNCONTROLLABLE COST	603	-	-	603	-
-	NET COST OF SERVICE	-	-	-	-	n/a
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
-	TOTAL NET EXPENDITURE	-	-	-	-	n/a
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						-
<u>Strategic budget - agreed additional income / savings</u>						-
<u>Other resource changes</u>						-
TOTAL OTHER VARIATIONS IN RESOURCE						-

HEALTH, WELLBEING & ADULTS
PUBLIC HEALTH
PUBLIC HEALTH MANAGEMENT

DIVISION SUBJECTIVE SUMMARY

COST CENTRE: C1691Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
1,454	Employees	-	-	1,227	1,227	n/a
-	Premises related expenditure	-	-	-	-	n/a
50	Supplies and Services	50	-	1,511	1,561	3,022
-	Third Party Payments	-	-	-	-	n/a
-	Transfer Payments	-	-	-	-	n/a
0	Transport related expenditure	-	-	-	-	n/a
641	Recharges from other services	704	-	(65)	639	(9)
2,146	TOTAL EXPENDITURE	754	-	2,673	3,427	355
(21,015)	Government Grants	(20,830)	-	(590)	(21,420)	3
-	Other Grants, reimbursements and contributions	-	-	45	45	n/a
-	Customer and Client Receipts	-	-	-	-	n/a
-	Interest Receivable	-	-	-	-	n/a
-	Recharges to other services	-	-	-	-	n/a
(21,015)	TOTAL INCOME	(20,830)	-	(545)	(21,375)	3
(18,869)	NET CONTROLLABLE COST	(20,076)	-	2,128	(17,948)	(11)
-	Capital Charges	-	-	-	-	n/a
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
603	Corporate support services bought in	603	-	-	603	-
603	TOTAL UNCONTROLLABLE COST	603	-	-	603	-
(18,266)	NET COST OF SERVICE	(19,473)	-	2,128	(17,345)	(11)
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
(18,266)	TOTAL NET EXPENDITURE	(19,473)	-	2,128	(17,345)	(11)
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
<u>Strategic budget - agreed additional income / savings</u>						
<u>Other resource changes</u>						
PH Employee budget amalgamation (HW 2.4)						1,207
Additional contingency funded by increase in grant and reductions in recharges from other services (HW 2.4)						1,511
Additional grant funded from Department of Health						(590)
						2,128
TOTAL OTHER VARIATIONS IN RESOURCE						2,128

HEALTH, WELLBEING & ADULTS
PUBLIC HEALTH
PUBLIC HEALTH CONTRACTS AND FUNDING

DIVISION SUBJECTIVE SUMMARY

COST CENTRE: C1692Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
346	Employees	1,533		(1,374)	159	(90)
-	Premises related expenditure	10	-	(10)	-	(100)
17	Supplies and Services	47	-	(47)	-	(100)
8,140	Third Party Payments	7,465	-	1,333	8,798	18
-	Transfer Payments	-	-	-	-	n/a
-	Transport related expenditure	-	-	-	-	n/a
9,935	Recharges from other services	10,528	-	(2,030)	8,498	(19)
18,438	TOTAL EXPENDITURE	19,583	-	(2,128)	17,455	(11)
-	Government Grants	-	-	-	-	n/a
(62)	Other Grants, reimbursements and contributions	(110)	-	-	(110)	-
-	Customer and Client Receipts	-	-	-	-	n/a
-	Interest Receivable	-	-	-	-	n/a
(110)	Recharges to other services	-	-	-	-	n/a
(172)	TOTAL INCOME	(110)	-	-	(110)	-
18,266	NET CONTROLLABLE COST	19,473	-	(2,128)	17,345	(11)
-	Capital Charges	-	-	-	-	n/a
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
-	Corporate support services bought in	-	-	-	-	n/a
-	TOTAL UNCONTROLLABLE COST	-	-	-	-	n/a
18,266	NET COST OF SERVICE	19,473	-	(2,128)	17,345	(11)
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
18,266	TOTAL NET EXPENDITURE	19,473	-	(2,128)	17,345	(11)
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
<u>Strategic budget - agreed additional income / savings</u>						
<u>Other resource changes</u>						
Employee salary amalgamation and re-alignment of budgets within Public Health (HW 2.3)						(1,207)
Increased funding for Sexual Health						900
Decrease in recharges from other services to fund Sexual Health and contribution to contingency (HW 2.3)						(1,821)
						(2,128)
TOTAL OTHER VARIATIONS IN RESOURCE						(2,128)

SERVICE DESCRIPTION

The Gateway Services Division comprises of 4 services areas. These include:

Enablement and Welfare - responsible for financial stability and housing sustainability for residents during points of crisis and working with them to establish sustainable longer term solutions. The service supports over 42,000 residents per annum. This service is critical in shaping the councils response to welfare reforms, including Universal credit, Benefit cap, Local Housing Allowance freeze-approx. 16,000 residents affected by these changes are supported by Enablement and Welfare. The service also supports with financial assessment for adult social care, maximising the income of Croydon residents and optimising contributions for care. In addition, the service provides support for people with No Recourse to Public Funds.

Bereavement & Registrars - The services work closely with Gateway Delivery and participate in Tell us once. The service is responsible for the Statutory Funerals, Public Mortuary, over 300 burials, 1,800 cremations and maintenance of 3 cemeteries, 1 crematorium and the provision of our registration services including birth, deaths, marriages and citizenship. Combined, the services generate over £3m per year in income.

Gateway Service Improvement - responsible for the co-ordination of the Adult Social Care/Children's Social Care/ Education/Housing/Housing Assets departments approach to business systems, community empowerment and work with the third sector focusing in particular around the areas of information and advice, managing demand and street homelessness. Leads on pushing the Gateway approach out into the community/localities/food stops. The service also leads on Gateway Link, a service that was established to work collaboratively to reduce costs to the council, improve residents' outcomes and promote independence.

Resident Access (was Contact Centre & Access Croydon)
A service which provides a single customer point of contact, wherever possible resolving enquiries at the first point of contact. Provides the Contact Centre, Access Croydon and front door for referrals into Adult Social Care, to provide early interventions to prevent need for care assessments. Leads on early intervention/ prevention initiatives in the community working alongside with the third sector, pushing the Gateway approach out into the community/localities/food stops/ information and advice/ managing demand and street homelessness.

MOVEMENT IN NET EXPENDITURE

COST CENTRE	SERVICE	ORIGINAL BUDGET	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET	% CHANGE
		2019/20 (A) £000's	Inflation (B) £000's	Other (C) £000's	2020/21 (D) £000's	
C1248Q	Enablement And Welfare	23,747	88	(509)	23,326	(2)
C1252Q	Bereavement And Registrars	(378)	20	(421)	(779)	106
C1256Q	Gateway Services Directorate	216	7	(206)	17	(92)
C1259Q	Gateway Service Improvement	2,378	87	1,918	4,383	84
C1618Q	Resident Access	956	58	(208)	806	(16)
	TOTAL NET SPEND	26,919	260	574	27,753	3

STAFF ESTABLISHMENT NUMBERS

SERVICE	ORIGINAL BUDGET	ORIGINAL BUDGET	CHANGE IN
	2019/20 FTE STAFF	2020/21 FTE STAFF	FTE STAFF
Enablement And Welfare	99.60	95.38	-4.22
Bereavement And Registrars	36.00	35.81	-0.19
Gateway Services Directorate	2.00	1.00	-1.00
Gateway Service Improvement	57.14	35.35	-21.79
Resident Access	58.89	74.68	15.79
TOTAL FTE STAFF	253.63	242.22	-11.41

COST CENTRE: C1250P

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
10,943	Employees	10,283	223	(435)	10,071	(2)
380	Premises related expenditure	353	7	(305)	55	(84)
1,329	Supplies and Services	914	-	(13)	901	(1)
19,383	Third Party Payments	17,993	47	2,552	20,592	14
104	Transfer Payments	71	-	0	71	-
29	Transport related expenditure	55	-	1	56	2
572	Recharges from other services	296	-	(293)	3	(99)
32,740	TOTAL EXPENDITURE	29,965	277	1,507	31,749	6
(1,487)	Government Grants	(212)	-	(45)	(257)	21
(153)	Other Grants, reimbursements and contributions	(248)	-	185	(63)	(75)
(3,860)	Customer and Client Receipts	(3,788)	(17)	4	(3,801)	0
-	Interest Receivable	-	-	-	-	n/a
(795)	Recharges to other services	(832)	-	90	(742)	(11)
(6,295)	TOTAL INCOME	(5,080)	(17)	234	(4,863)	(4)
26,445	NET CONTROLLABLE COST	24,885	260	1,741	26,886	8
170	Capital Charges	170	-	(46)	124	(27)
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
1,864	Corporate support services bought in	1,864	-	(1,121)	743	(60)
2,034	TOTAL UNCONTROLLABLE COST	2,034	-	(1,167)	867	(57)
28,479	NET COST OF SERVICE	26,919	260	574	27,753	3
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
28,479	TOTAL NET EXPENDITURE	26,919	260	574	27,753	3
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
Strategic budget - agreed pressures / service demands						913
Strategic budget - agreed additional income / savings						(693)
Other resource changes						354
TOTAL OTHER VARIATIONS IN RESOURCE						574

**HEALTH, WELLBEING & ADULTS
GATEWAY SERVICES
ENABLEMENT AND WELFARE**

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1248Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
4,503	Employees	4,359	88	(380)	4,067	(7)
30	Premises related expenditure	-		-	-	n/a
519	Supplies and Services	517		(12)	505	(2)
16,772	Third Party Payments	17,729		99	17,828	1
104	Transfer Payments	71			71	-
16	Transport related expenditure	9		1	10	11
689	Recharges from other services	308		(293)	15	(95)
22,633	TOTAL EXPENDITURE	22,993	88	(585)	22,496	(2)
(327)	Government Grants	(212)		50	(162)	(24)
(43)	Other Grants, reimbursements and contributions	(94)		44	(50)	(47)
(253)	Customer and Client Receipts	(239)		27	(212)	(11)
-	Interest Receivable	-			-	n/a
(447)	Recharges to other services	(455)		62	(393)	(14)
(1,070)	TOTAL INCOME	(1,000)	-	183	(817)	(18)
21,563	NET CONTROLLABLE COST	21,993	88	(402)	21,679	(1)
-	Capital Charges	-			-	n/a
-	Intangible Charges	-			-	n/a
-	REFCUS	-			-	n/a
1,754	Corporate support services bought in	1,754		(107)	1,647	(6)
1,754	TOTAL UNCONTROLLABLE COST	1,754	-	(107)	1,647	(6)
23,317	NET COST OF SERVICE	23,747	88	(509)	23,326	(2)
-	Contributions to / (from) Earmarked Reserves	-			-	n/a
-	Contributions to / (from) Capital Reserves:	-			-	n/a
-	Financing of Capital Expenditure	-			-	n/a
-	Provision for Repayment of External Loans	-			-	n/a
-	Contribution to / (from) General Balances	-			-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
23,317	TOTAL NET EXPENDITURE	23,747	88	(509)	23,326	(2)
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
Strategic budget - agreed pressures / service demands						266
Cost of providing support to UASC population						
						266
Strategic budget - agreed additional income / savings						
Interventions restructure - reduction 1 fte						(43)
Employment Service deletion - 7 fte						(219)
Effective Corporate Centre						(24)
Supplies and services reduction						(19)
						(305)
<u>Other resource changes</u>						
Pay inflation met by departments						(88)
Movement in corporate charges (SeRCOP) and Internal Recharges						(107)
Corporate adjustment						(275)
						(470)
TOTAL OTHER VARIATIONS IN RESOURCE						(509)

HEALTH, WELLBEING & ADULTS
GATEWAY SERVICES
BEREAVEMENT AND REGISTRARS

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1252Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
1,453	Employees	1,540	30	(7)	1,563	1
348	Premises related expenditure	351	7	(305)	53	(85)
452	Supplies and Services	379	-	-	379	-
32	Third Party Payments	-	-	-	-	n/a
-	Transfer Payments	-	-	-	-	n/a
12	Transport related expenditure	44	-	-	44	-
96	Recharges from other services	8	-	-	8	-
2,393	TOTAL EXPENDITURE	2,322	37	(312)	2,047	(12)
-	Government Grants	-	-	-	-	n/a
(13)	Other Grants, reimbursements and contributions	-	-	-	-	n/a
(3,607)	Customer and Client Receipts	(3,549)	(17)	(23)	(3,589)	1
-	Interest Receivable	-	-	-	-	n/a
-	Recharges to other services	-	-	-	-	n/a
(3,620)	TOTAL INCOME	(3,549)	(17)	(23)	(3,589)	1
(1,227)	NET CONTROLLABLE COST	(1,227)	20	(335)	(1,542)	26
170	Capital Charges	170	-	(46)	124	(27)
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
679	Corporate support services bought in	679	-	(40)	639	(6)
849	TOTAL UNCONTROLLABLE COST	849	-	(86)	763	(10)
(378)	NET COST OF SERVICE	(378)	20	(421)	(779)	106
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
(378)	TOTAL NET EXPENDITURE	(378)	20	(421)	(779)	106
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
Strategic budget - agreed pressures / service demands						-
Strategic budget - agreed additional income / savings						-
Other resource changes						-
Transfer of the grounds maintenance service to Place (PL 2.4)						(298)
Pay and Contract inflation met by departments						(37)
Movement in corporate charges (SeRCOP) and Internal Recharges						(40)
Reduction of Capital Charges						(46)
						(421)
TOTAL OTHER VARIATIONS IN RESOURCE						(421)

COST CENTRE: C1256Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
303	Employees	322	7	(202)	127	(61)
-	Premises related expenditure	-	-	-	-	n/a
20	Supplies and Services	1	-	(1)	-	(100)
-	Third Party Payments	-	-	-	-	n/a
-	Transfer Payments	-	-	-	-	n/a
-	Transport related expenditure	-	-	-	-	n/a
0	Recharges from other services	-	-	-	-	n/a
323	TOTAL EXPENDITURE	323	7	(203)	127	(61)
-	Government Grants	-	-	-	-	n/a
-	Other Grants, reimbursements and contributions	-	-	-	-	n/a
-	Customer and Client Receipts	-	-	-	-	n/a
-	Interest Receivable	-	-	-	-	n/a
(128)	Recharges to other services	(128)	-	(1)	(129)	1
(128)	TOTAL INCOME	(128)	-	(1)	(129)	1
195	NET CONTROLLABLE COST	195	7	(204)	(2)	(101)
-	Capital Charges	-	-	-	-	n/a
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
21	Corporate support services bought in	21	-	(2)	19	(10)
21	TOTAL UNCONTROLLABLE COST	21	-	(2)	19	(10)
216	NET COST OF SERVICE	216	7	(206)	17	(92)
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
216	TOTAL NET EXPENDITURE	216	7	(206)	17	(92)
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
Strategic budget - agreed pressures / service demands						-
Strategic budget - agreed additional income / savings						(197)
Removal of Executive Director post						(197)
<u>Other resource changes</u>						
Pay inflation met by departments						(7)
Movement in corporate charges (SeRCOP) and Internal Recharges						(2)
						(9)
TOTAL OTHER VARIATIONS IN RESOURCE						(206)

**HEALTH, WELLBEING & ADULTS
GATEWAY SERVICES
GATEWAY SERVICE IMPROVEMENT SUMMARY**

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1259Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
2,037	Employees	2,142	40	(564)	1,618	(24)
-	Premises related expenditure	-			-	n/a
314	Supplies and Services	2		-	2	-
2,579	Third Party Payments	264	47	2,453	2,764	947
-	Transfer Payments	-			-	n/a
1	Transport related expenditure	2			2	-
(219)	Recharges from other services	(20)			(20)	-
4,712	TOTAL EXPENDITURE	2,390	87	1,889	4,366	83
(1,160)	Government Grants	-		(95)	(95)	n/a
(97)	Other Grants, reimbursements and contributions	(154)		141	(13)	(92)
-	Customer and Client Receipts	-		-	-	n/a
-	Interest Receivable	-		-	-	n/a
(73)	Recharges to other services	(73)			(73)	-
(1,330)	TOTAL INCOME	(227)	-	46	(181)	(20)
3,382	NET CONTROLLABLE COST	2,163	87	1,935	4,185	93
-	Capital Charges	-			-	n/a
-	Intangible Charges	-			-	n/a
-	REFCUS	-			-	n/a
215	Corporate support services bought in	215		(17)	198	(8)
215	TOTAL UNCONTROLLABLE COST	215	-	(17)	198	(8)
3,597	NET COST OF SERVICE	2,378	87	1,918	4,383	84
-	Contributions to / (from) Earmarked Reserves	-			-	n/a
-	Contributions to / (from) Capital Reserves:	-			-	n/a
-	Financing of Capital Expenditure	-			-	n/a
-	Provision for Repayment of External Loans	-			-	n/a
-	Contribution to / (from) General Balances	-			-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
3,597	TOTAL NET EXPENDITURE	2,378	87	1,918	4,383	84
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
Strategic budget - agreed pressures / service demands						578
Cost of providing support to UASC population						
						578
Strategic budget - agreed additional income / savings						
Gateway Link restructure - reduction 4 fte						(191)
						(191)
<u>Other resource changes</u>						
Transfer of 3 fte to Resident Access (HW 3.7)						(120)
Pay inflation met by departments						(87)
Movement in corporate charges (SeRCOP) and Internal Recharges						(17)
Realignment of prior year savings to Adults (HW 1.3) and Children's (CFE 1.6)						1,850
Corporate adjustment						(95)
						1,531
TOTAL OTHER VARIATIONS IN RESOURCE						1,918

**HEALTH, WELLBEING & ADULTS
GATEWAY SERVICES
RESIDENT ACCESS**

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1618Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
2,647	Employees	1,920	58	718	2,696	40
2	Premises related expenditure	2	-	-	2	-
24	Supplies and Services	15	-	-	15	-
-	Third Party Payments	-	-	-	-	n/a
-	Transfer Payments	-	-	-	-	n/a
-	Transport related expenditure	-	-	-	-	n/a
6	Recharges from other services	-	-	-	-	n/a
2,679	TOTAL EXPENDITURE	1,937	58	718	2,713	40
-	Government Grants	-	-	-	-	n/a
-	Other Grants, reimbursements and contributions	-	-	-	-	n/a
-	Customer and Client Receipts	-	-	-	-	n/a
-	Interest Receivable	-	-	-	-	n/a
(147)	Recharges to other services	(176)	-	29	(147)	(16)
(147)	TOTAL INCOME	(176)	-	29	(147)	(16)
2,532	NET CONTROLLABLE COST	1,761	58	747	2,566	46
-	Capital Charges	-	-	-	-	n/a
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
(805)	Corporate support services bought in	(805)	-	(955)	(1,760)	119
(805)	TOTAL UNCONTROLLABLE COST	(805)	-	(955)	(1,760)	119
1,727	NET COST OF SERVICE	956	58	(208)	806	(16)
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
1,727	TOTAL NET EXPENDITURE	956	58	(208)	806	(16)
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
Strategic budget - agreed pressures / service demands						69
Cost of providing support to UASC population						69
Strategic budget - agreed additional income / savings						-
Other resource changes						-
Transfer of 14 fte from Adult Social Care to Front Door (HW 1.4)						723
Transfer of 3 fte from Gateway Service Improvement to Front Door (HW 3.6)						120
Transfer of 0.5 fte to Licensing in Place (PL 2.8)						(17)
Pay inflation met by departments						(58)
Movement in corporate charges (SeRCOP) and Internal Recharges						(955)
Corporate adjustment						(90)
						(277)
TOTAL OTHER VARIATIONS IN RESOURCE						(208)

SERVICE DESCRIPTION

The Housing Assessment & Solutions includes the following sections:

Emergency Accommodation

Carries out the council statutory function under the homeless reduction act. Their duties include the prevention of homelessness and where that is not possible finding alternative solutions and accommodation for homeless residents. The service also provides emergency accommodation for homeless households until longer term accommodation can be found. The service takes over 3,000 applications per year

Housing Renewal

Responsible for the Staying Put Home Improvement Agency which enables older, vulnerable people and people with disabilities to stay in their own homes. This can be through repairs, adaptations, re-ablement, hospital discharge, gardening and handyperson services.

Temporary Accommodation and Housing Solutions

Responsible for the housing and transfer registers, and allocation of social housing (including registered social landlords). It promotes home ownership (right to buy, social home buy and Assisted Purchase Scheme). It provides and manages temporary accommodation and facilitates access to the private sector to prevent and discharge the council's homelessness duty, providing subsequent support to landlords and tenants to sustain tenancies.

MOVEMENT IN NET EXPENDITURE

COST CENTRE	SERVICE	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	Other (C) £000's		
C1258Q	Emergency Accommodation	5,861	285	(752)	5,394	(8)
C1440Q	Housing Renewal	-	15	(15)	-	n/a
C1444Q	Service Development	6	2	(8)	-	(100)
C1446Q	Housing Needs Directorate	3,797	-	(436)	3,361	(11)
C1448Q	Temporary Accommodation And Housing Solutions	(1,428)	16	659	(753)	(47)
C1464Q	Garage Commercial And Miscellaneous Properties Income	(53)	-	-	(53)	-
	TOTAL NET SPEND	8,183	318	(552)	7,949	(3)

STAFF ESTABLISHMENT NUMBERS

SERVICE	ORIGINAL BUDGET 2019/20	ORIGINAL BUDGET 2020/21	CHANGE IN
	FTE STAFF	FTE STAFF	FTE STAFF
Emergency Accommodation	55.4	47.6	(7.8)
Housing Renewal	14.5	14.5	(0.0)
Service Development	1.0	-	(1.0)
Housing Needs Directorate	0.3	0.3	-
Temporary Accommodation and Housing Solutions	18.3	18.6	0.3
Garage Commercial And Miscellaneous Properties Income	-	-	-
TOTAL FTE STAFF	89.5	80.9	(8.6)

COST CENTRE: C1420P

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
3,640	Employees	3,873	80	876	4,829	25
21,506	Premises related expenditure	22,962	238	7,737	30,937	35
446	Supplies and Services	515	-	(443)	72	(86)
10,832	Third Party Payments	10,823	-	(10,205)	618	(94)
-	Transfer Payments	-	-	-	-	n/a
2	Transport related expenditure	3	-	-	3	-
(109)	Recharges from other services	(40)	-	(16)	(56)	40
36,317	TOTAL EXPENDITURE	38,136	318	(2,051)	36,403	(5)
(4,945)	Government Grants	(4,836)	-	91	(4,745)	(2)
(292)	Other Grants, reimbursements and contributions	(264)	-	(6)	(270)	2
(26,045)	Customer and Client Receipts	(28,383)	-	2,422	(25,961)	(9)
-	Interest Receivable	-	-	-	-	n/a
(1,155)	Recharges to other services	(1,253)	-	(939)	(2,192)	75
(32,437)	TOTAL INCOME	(34,736)	-	1,568	(33,168)	(5)
3,880	NET CONTROLLABLE COST	3,400	318	(483)	3,235	(5)
99	Capital Charges	99	-	(22)	77	(22)
-	Intangible Charges	-	-	17	17	n/a
2,900	REFCUS	2,900	-	-	2,900	-
1,784	Corporate support services bought in	1,784	-	(115)	1,669	(6)
4,783	TOTAL UNCONTROLLABLE COST	4,783	-	(120)	4,663	(3)
8,663	NET COST OF SERVICE	8,183	318	(603)	7,898	(3)
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
8,663	TOTAL NET EXPENDITURE	8,183	318	(603)	7,898	(3)
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						412
<u>Strategic budget - agreed additional income / savings</u>						(634)
<u>Other resource changes</u>						(381)
TOTAL OTHER VARIATIONS IN RESOURCE						(603)

**HEALTH, WELLBEING & ADULTS
HOUSING ASSESSMENT & SOLUTIONS
EMERGENCY ACCOMMODATION**

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1258Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
2,191	Employees	2,300	47	736	3,083	34
11,626	Premises related expenditure	11,826	238	(2,398)	9,666	(18)
275	Supplies and Services	282	-	-	282	-
99	Third Party Payments	16	-	-	16	-
-	Transfer Payments	-	-	-	-	n/a
-	Transport related expenditure	1	-	-	1	-
46	Recharges from other services	20	-	-	20	-
14,237	TOTAL EXPENDITURE	14,445	285	(1,662)	13,068	(10)
(402)	Government Grants	(402)	-	-	(402)	-
-	Other Grants, reimbursements and contributions	-	-	-	-	n/a
(8,483)	Customer and Client Receipts	(8,492)	-	1,765	(6,727)	(21)
-	Interest Receivable	-	-	-	-	n/a
(679)	Recharges to other services	(678)	-	(783)	(1,461)	115
(9,564)	TOTAL INCOME	(9,572)	-	982	(8,590)	(10)
4,673	NET CONTROLLABLE COST	4,873	285	(680)	4,478	(8)
-	Capital Charges	-	-	-	-	n/a
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
988	Corporate support services bought in	988	-	(72)	916	(7)
988	TOTAL UNCONTROLLABLE COST	988	-	(72)	916	(7)
5,661	NET COST OF SERVICE	5,861	285	(752)	5,394	(8)
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
5,661	TOTAL NET EXPENDITURE	5,861	285	(752)	5,394	(8)
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
						-
<u>Strategic budget - agreed additional income / savings</u>						
Effective Corporate Centre						(75)
Supplies and services reduction						(8)
Review of Housing and Homelessness services						(500)
						(583)
<u>Other resource changes</u>						
Realignment of prior year savings to Adults (HW 1.3) and Children's (CFE 1.6)						393
Pay and Contract inflation met by departments						(285)
Movement in corporate charges (SeRCOP) and Internal Recharges						(72)
Corporate adjustment						(205)
						(169)
TOTAL OTHER VARIATIONS IN RESOURCE						(752)

HEALTH, WELLBEING & ADULTS
HOUSING ASSESSMENT & SOLUTIONS
HOUSING RENEWAL

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1440Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
596	Employees	653	15	14	682	4
-	Premises related expenditure	-	-	-	-	n/a
21	Supplies and Services	6	-	-	6	-
212	Third Party Payments	212	-	-	212	-
-	Transfer Payments	-	-	-	-	n/a
2	Transport related expenditure	2	-	-	2	-
17	Recharges from other services	8	-	-	8	-
848	TOTAL EXPENDITURE	881	15	14	910	3
-	Government Grants	-	-	-	-	n/a
(245)	Other Grants, reimbursements and contributions	(217)	-	(6)	(223)	3
(258)	Customer and Client Receipts	(279)	-	6	(273)	(2)
-	Interest Receivable	-	-	-	-	n/a
(385)	Recharges to other services	(385)	-	(29)	(414)	8
(888)	TOTAL INCOME	(881)	-	(29)	(910)	3
(40)	NET CONTROLLABLE COST	-	15	(15)	-	n/a
-	Capital Charges	-	-	-	-	n/a
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
-	Corporate support services bought in	-	-	-	-	n/a
-	TOTAL UNCONTROLLABLE COST	-	-	-	-	n/a
(40)	NET COST OF SERVICE	-	15	(15)	-	n/a
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
(40)	TOTAL NET EXPENDITURE	-	15	(15)	-	n/a
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
						-
<u>Strategic budget - agreed additional income / savings</u>						
						-
<u>Other resource changes</u>						
Pay inflation met by departments						(15)
						(15)
TOTAL OTHER VARIATIONS IN RESOURCE						(15)

**HEALTH, WELLBEING & ADULTS
HOUSING ASSESSMENT & SOLUTIONS
SERVICE DEVELOPMENT**

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1444Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
-	Employees	102	2	(104)	-	(100)
-	Premises related expenditure	-			-	n/a
-	Supplies and Services	55		(55)	-	(100)
-	Third Party Payments	-			-	n/a
-	Transfer Payments	-			-	n/a
-	Transport related expenditure	-			-	n/a
-	Recharges from other services	16		(16)	-	(100)
-	TOTAL EXPENDITURE	173	2	(175)	-	(100)
-	Government Grants	(91)		91	-	(100)
-	Other Grants, reimbursements and contributions	-			-	n/a
-	Customer and Client Receipts	-			-	n/a
-	Interest Receivable	-			-	n/a
-	Recharges to other services	(76)		76	-	(100)
-	TOTAL INCOME	(167)	-	167	-	(100)
-	NET CONTROLLABLE COST	6	2	(8)	-	(100)
-	Capital Charges	-			-	n/a
-	Intangible Charges	-			-	n/a
-	REFCUS	-			-	n/a
-	Corporate support services bought in	-			-	n/a
-	TOTAL UNCONTROLLABLE COST	-	-	-	-	n/a
-	NET COST OF SERVICE	6	2	(8)	-	(100)
-	Contributions to / (from) Earmarked Reserves	-			-	n/a
-	Contributions to / (from) Capital Reserves:	-			-	n/a
-	Financing of Capital Expenditure	-			-	n/a
-	Provision for Repayment of External Loans	-			-	n/a
-	Contribution to / (from) General Balances	-			-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
-	TOTAL NET EXPENDITURE	6	2	(8)	-	(100)
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
						-
<u>Strategic budget - agreed additional income / savings</u>						
						-
<u>Other resource changes</u>						
Pay inflation met by departments						(2)
Transfer of budget to Temporary Accommodation and Housing Solutions (HW 4.7)						(6)
						(8)
TOTAL OTHER VARIATIONS IN RESOURCE						(8)

HEALTH, WELLBEING & ADULTS
HOUSING ASSESSMENT & SOLUTIONS
HOUSING NEEDS DIRECTORATE

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1446Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
1	Employees	23			23	-
-	Premises related expenditure	-			-	n/a
-	Supplies and Services	-		(388)	(388)	n/a
-	Third Party Payments	-			-	n/a
-	Transfer Payments	-			-	n/a
-	Transport related expenditure	-			-	n/a
-	Recharges from other services	-			-	n/a
1	TOTAL EXPENDITURE	23	-	(388)	(365)	(1,687)
-	Government Grants	-			-	n/a
-	Other Grants, reimbursements and contributions	-			-	n/a
-	Customer and Client Receipts	-			-	n/a
-	Interest Receivable	-			-	n/a
2	Recharges to other services	(21)			(21)	-
2	TOTAL INCOME	(21)	-	-	(21)	-
3	NET CONTROLLABLE COST	2	-	(388)	(386)	(19,400)
99	Capital Charges	99		(22)	77	(22)
-	Intangible Charges	-		17	17	n/a
2,900	REFCUS	2,900		-	2,900	-
796	Corporate support services bought in	796		(43)	753	(5)
3,795	TOTAL UNCONTROLLABLE COST	3,795	-	(48)	3,747	(1)
3,798	NET COST OF SERVICE	3,797	-	(436)	3,361	(11)
-	Contributions to / (from) Earmarked Reserves	-			-	n/a
-	Contributions to / (from) Capital Reserves:	-			-	n/a
-	Financing of Capital Expenditure	-			-	n/a
-	Provision for Repayment of External Loans	-			-	n/a
-	Contribution to / (from) General Balances	-			-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
3,798	TOTAL NET EXPENDITURE	3,797	-	(436)	3,361	(11)
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
						-
<u>Strategic budget - agreed additional income / savings</u>						
						-
<u>Other resource changes</u>						
Reduction in Public Health funding						(388)
Reduction of Capital Charges						(22)
Increase of Intangible Charges						17
Movement in corporate charges (SeRCOP) and Internal Recharges						(43)
						(436)
TOTAL OTHER VARIATIONS IN RESOURCE						(436)

**HEALTH, WELLBEING & ADULTS
HOUSING NEED
TEMPORARY ACCOMMODATION AND HOUSING SOLUTIONS**

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1448Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
852	Employees	795	16	230	1,041	31
9,805	Premises related expenditure	11,007		10,186	21,193	93
134	Supplies and Services	135		-	135	-
10,521	Third Party Payments	10,595		(10,205)	390	(96)
-	Transfer Payments	-		-	-	n/a
-	Transport related expenditure	-		-	-	n/a
(172)	Recharges from other services	(85)		-	(85)	-
21,140	TOTAL EXPENDITURE	22,447	16	211	22,674	1
(4,543)	Government Grants	(4,343)		-	(4,343)	-
(47)	Other Grants, reimbursements and contributions	(47)		-	(47)	-
(17,166)	Customer and Client Receipts	(19,392)		651	(18,741)	(3)
-	Interest Receivable	-		-	-	n/a
(93)	Recharges to other services	(93)		(203)	(296)	218
(21,849)	TOTAL INCOME	(23,875)	-	448	(23,427)	(2)
(709)	NET CONTROLLABLE COST	(1,428)	16	659	(753)	(47)
-	Capital Charges	-			-	n/a
-	Intangible Charges	-			-	n/a
-	REFCUS	-			-	n/a
-	Corporate support services bought in	-			-	n/a
-	TOTAL UNCONTROLLABLE COST	-	-	-	-	n/a
(709)	NET COST OF SERVICE	(1,428)	16	659	(753)	(47)
-	Contributions to / (from) Earmarked Reserves	-			-	n/a
-	Contributions to / (from) Capital Reserves:	-			-	n/a
-	Financing of Capital Expenditure	-			-	n/a
-	Provision for Repayment of External Loans	-			-	n/a
-	Contribution to / (from) General Balances	-			-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
(709)	TOTAL NET EXPENDITURE	(1,428)	16	659	(753)	(47)
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
Cost of providing support to UASC population						87
Flexible Homelessness Support Grant						325
						412
<u>Strategic budget - agreed additional income / savings</u>						
						-
<u>Other resource changes</u>						
Realignment of prior year savings to Adults (HW 1.3) and Children's (CFE 1.6)						257
Pay inflation met by departments						(16)
Transfer of budget from Service Development (HW 4.5)						6
						247
TOTAL OTHER VARIATIONS IN RESOURCE						659

**HEALTH, WELLBEING & ADULTS
HOUSING ASSESSMENT & SOLUTIONS
GARAGE COMMERCIAL AND MISCELLANEOUS PROPERTIES INCOME**

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1464Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
-	Employees	-			-	n/a
75	Premises related expenditure	129		(51)	78	(40)
16	Supplies and Services	37			37	-
-	Third Party Payments	-			-	n/a
-	Transfer Payments	-			-	n/a
-	Transport related expenditure	-			-	n/a
-	Recharges from other services	1			1	-
91	TOTAL EXPENDITURE	167	-	(51)	116	(31)
-	Government Grants	-			-	n/a
-	Other Grants, reimbursements and contributions	-			-	n/a
(138)	Customer and Client Receipts	(220)			(220)	-
-	Interest Receivable	-			-	n/a
-	Recharges to other services	-			-	n/a
(138)	TOTAL INCOME	(220)	-	-	(220)	-
(47)	NET CONTROLLABLE COST	(53)	-	(51)	(104)	96
-	Capital Charges	-			-	n/a
-	Intangible Charges	-			-	n/a
-	REFCUS	-			-	n/a
-	Corporate support services bought in	-			-	n/a
-	TOTAL UNCONTROLLABLE COST	-	-	-	-	n/a
(47)	NET COST OF SERVICE	(53)	-	(51)	(104)	96
-	Contributions to / (from) Earmarked Reserves	-			-	n/a
-	Contributions to / (from) Capital Reserves:	-			-	n/a
-	Financing of Capital Expenditure	-			-	n/a
-	Provision for Repayment of External Loans	-			-	n/a
-	Contribution to / (from) General Balances	-			-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
(47)	TOTAL NET EXPENDITURE	(53)	-	(51)	(104)	96
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
						-
<u>Strategic budget - agreed additional income / savings</u>						
Review of Housing and Homelessness services						(51)
						(51)
<u>Other resource changes</u>						
						-
TOTAL OTHER VARIATIONS IN RESOURCE						(51)

PLACE

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KEY SERVICE TARGETS / PRIORITIES FOR 2020/21

Across all areas is the cross cutting theme to better manage demand and promote more efficient and targeted service delivery. The priorities are to:

- 1) Increase the supply of appropriate homes in the borough through the Council's Development Company and by working in partnership with developers and registered providers - key projects will be Taberner House, College Green & Fairfield all d quick-win smaller sites packages.
- 2) Creating district centres that are vibrant, well-used places where people and businesses want to be - delivering key initiatives in Thornton Heath, Ashburton, South Norwood, and New Addington plus developing new initiatives in areas such as Norbury, and Purley.
- 3) Deliver joined-up licensing and hands on enforcement activity on and off our estates which keeps the streets clean and people safe including licensing private landlords to ensure that residents can be assured of minimum standards of rented accommodation.
- 4) Deliver high quality Planning and Building Control services which respond quickly and appropriately to meet the needs of developers and homeowners.
- 5) Use our statutory powers to enable growth, development and investment as well as use them to retain heritage assets and preserve the uniqueness of the borough.
- 6) Work with regional and central government around devolution deals to unlock investment and growth, particularly through the Croydon Growth Zone.
- 7) Deliver key projects in the metropolitan centre, working with partners including Transport for London, Croydon Local Partnership, the Metropolitan Police, Croydon BID and others to ensure the centre remains a safe, usable and a vibrant destination for visitors which is attractive to investors now and in the future.
- 8) Drive out improvements, efficiencies and added value from our waste, recycling, green spaces, leisure and highways contracts exploring new service models and ways of working.
- 9) Deliver a job brokerage service which links unemployed and under-employed residents into the jobs created through regeneration, investment and growth.

FINANCIAL PERFORMANCE**COST CENTRE: C1100N**

DESCRIPTION	ACTUAL 2018/19 £000	ORIGINAL 2019/20 £000	FORECAST 2019/20 £000	BUDGET 2020/21 £000	% CHANGE %
Employees	39,277	38,532	38,061	43,661	13
Premises related expenditure	43,000	17,575	17,380	14,351	(18)
Supplies and Services	34,674	34,201	36,792	39,538	16
Third Party Payments	2,812	5,634	4,804	6,395	14
Transfer Payments	272	271	400	271	-
Transport related expenditure	12,163	10,553	11,567	11,601	10
Capital Charges	13,747	16,289	16,281	19,268	18
Intangible Charges	-	6	6	224	3,633
REFCUS	-	27,330	27,330	330	(99)
Corporate support services bought in	16,354	15,411	15,060	(1,198)	(108)
Recharges from other services	858	6,262	6,151	6,555	5
TOTAL EXPENDITURE	163,157	172,064	173,833	140,996	(19)
Government Grants	(8,861)	(6,107)	(6,228)	(6,207)	2
Other Grants, reimbursements and contributions	(14,380)	(4,659)	(4,553)	(3,587)	(23)
Customer and Client Receipts	(41,935)	(40,575)	(42,775)	(54,368)	34
Interest Receivable	(58)	-	-	-	n/a
Recharges to other services	(32,595)	(16,672)	(16,151)	(15,337)	(8)
TOTAL INCOME	(97,829)	(68,013)	(69,706)	(79,499)	14
NET EXPENDITURE	65,328	104,051	104,127	61,497	(41)
Contributions to / (from) Reserves	-	-	-	-	n/a
CURRENT BUDGET	72,621		104,050		
TOTAL VARIANCE FROM BUDGET- Over/(Under)	(7,293)		77		

TOP FINANCIAL RISKS 2020/21

- 1) The Place department generates significant levels of income, particularly within the Planning and Strategic Transport division and Public Realm division. These are sensitive to changes in external conditions which can be difficult to predict and shortfalls in income could result in budget pressures.
- 2) The Homes and Social Investment directorate also has a target to deliver investment income, which brings significant risks as this is dependent on investment opportunities outside of the control of the Council.
- 3) Croydon Council is a member of the South London Waste Partnership, which contracts with Veolia and Viridor to provide waste collection and disposal services. As the population of the Borough grows, this creates additional costs pressures due to the costs of disposal. This has received growth of £2.5m in the 2020/2021 financial year to cover this demand increase.
- 4) The Place department includes the provision of SEN Transport, which is a demand led service providing transport for adults, young people and children. It is difficult to predict the future demand for services which has resulted in unbudgeted cost pressures to manage. This has received growth of £2m in the 2020/2021 financial year to cover this demand increase.

PLACE

DEPARTMENT SUMMARY

CABINET MEMBER

Councillor Stuart King (Job Share)	Cabinet Member for Environment, Transport and Regeneration
Councillor Alison Butler	Cabinet Member for Homes and Gateway Services
Councillor Stuart Collins	Cabinet Member for Clean Green Croydon
Councillor Hamida Ali	Cabinet Member for Safer Croydon and Communities
Councillor Paul Scott (Job Share)	Cabinet Member for Environment, Transport and Regeneration
Councillor Manju Shahul-Hameed	Cabinet Member for Economy and Jobs
Councillor Oliver Lewis	Cabinet Member for Culture, Leisure & Sport
Councillor Alisa Flemming	Cabinet Member for Children, Young People & Learning

DEPARTMENT MANAGEMENT TEAM

NAME	TITLE	TEL. EX.
Shifa Mustafa	Executive Director of Place (Directorate & Development)	47575
Steve Iles	Director - Public Realm	52821
Stephen Tate	Director - Growth, Employment and Regeneration and Growth Zone	46446
Paula Murray	Director - Croydon Culture	47117
Heather Cheesbrough	Director - Planning & Strategic Transport	65599
Sarah Hayward	Director - Violence Reduction Network	62176
Ozay Ali (Interim)	Director - Homes and Social Investment	62296

COST CENTRE	DIVISION
C1100P	Place Directorate
C1110P	Public Realm
C1160P	Growth Employment and Regeneration
C1114P	Croydon Culture
C1116P	Croydon Growth Zone
C1120P	Planning
C1150P	Homes And Social Investment
C1130P	Violence Reduction Network

MOVEMENT IN SERVICE NET EXPENDITURE

FORECAST 2019/20 £000's	DIVISION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	Other (C) £000's		
(74)	Place Directorate	(124)	19	105	-	(100)
55,034	Public Realm	54,649	236	(7,839)	47,046	(14)
2,638	Growth Employment and Regeneration	2,799	125	(34)	2,890	3
7,403	Croydon Culture	7,101	66	3,074	10,241	44
27,060	Croydon Growth Zone	27,060	8	(27,058)	10	(100)
1,294	Planning	1,870	85	(187)	1,768	(5)
10,773	Homes And Social Investment	10,696	69	(13,629)	(2,864)	(127)
-	Violence Reduction Network	0	48	2,358	2,406	n/a
104,127	TOTAL NET SPEND	104,051	656	(43,210)	61,497	(41)

STAFF ESTABLISHMENT NUMBERS

DIVISION	ORIGINAL BUDGET 2019/20	ORIGINAL BUDGET 2020/21	CHANGE IN FTE
	FTE STAFF	FTE STAFF	FTE STAFF
Place Directorate	1.0	7.0	6.0
Public Realm	543.0	491.1	(51.9)
Growth Employment and Regeneration	117.7	118.2	0.5
Croydon Culture	84.5	84.5	-
Croydon Growth Zone	6.0	9.2	3.2
Planning	106.3	117.1	10.8
Homes And Social Investment	83.4	89.0	5.6
Violence Reduction Network	-	85.7	85.7
TOTAL FTE STAFF	941.9	1,001.8	59.9

STAFF ESTABLISHMENT NUMBERS - REASONS FOR VARIATIONS

Place Directorate - Transfer of Executive Support staff from business support to service specific area. +6
Public Realm - Reduction in Grounds Maintenance Staff FTE upon completion and review of the new insourced service and to take into account seasonality. -35
Public Realm - Transfer of Staff to new Violence Reduction Network -47.4
Public Realm - Additional staff within Independent Travel Service on insourcing of operations. +24.6
Violence Reduction Network - Transfer of staff from Various Departments to resource new VRN department +85.7
Planning - Development Management Additional Staff due to increased demand for planning applications +5
Planning - Spatial Planning staff charged to capital/s106 previously not included in establishment +5.2
Growth Employment and Regeneration - deletion of Director of Economic Growth post -1
Growth Employment and Regeneration -Regeneration and Partnerships, staff charged to capital previously not included in establishment +1.5

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
38,061	Employees	38,532	770	4,359	43,661	13
17,380	Premises related expenditure	17,575	-	(3,224)	14,351	(18)
36,792	Supplies and Services	34,201	-	5,337	39,538	16
4,804	Third Party Payments	5,634	-	761	6,395	14
400	Transfer Payments	271	-	-	271	-
11,567	Transport related expenditure	10,553	-	1,048	11,601	10
6,151	Recharges from other services	6,262	-	293	6,555	5
115,156	TOTAL EXPENDITURE	113,028	770	8,573	122,371	8
(6,228)	Government Grants	(6,107)	-	(100)	(6,207)	2
(4,553)	Other Grants, reimbursements and contributions	(4,659)	-	1,072	(3,587)	(23)
(42,775)	Customer and Client Receipts	(40,575)	(115)	(13,678)	(54,368)	34
-	Interest Receivable	-	-	-	-	n/a
(16,151)	Recharges to other services	(16,672)	-	1,335	(15,337)	(8)
(69,706)	TOTAL INCOME	(68,013)	(115)	(11,371)	(79,499)	17
45,450	NET CONTROLLABLE COST	45,015	655	(2,798)	42,872	(5)
16,281	Capital Charges	16,289	-	2,979	19,268	18
6	Intangible Charges	6	-	218	224	3,633
27,330	REFCUS	27,330	-	(27,000)	330	(99)
15,060	Corporate support services bought in	15,411	-	(16,609)	(1,198)	(108)
58,677	TOTAL UNCONTROLLABLE COST	59,036	-	(40,412)	18,625	(68)
104,127	NET COST OF SERVICE	104,051	655	(43,209)	61,497	(41)
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
104,127	TOTAL NET EXPENDITURE	104,051	655	(43,209)	61,497	(41)
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
Strategic budget - agreed pressures / service demands						5,900
Strategic budget - agreed additional income / savings						(9,831)
Other resource changes						(12,221)
TOTAL OTHER VARIATIONS IN RESOURCE						(16,152)

**PLACE
PLACE DIRECTORATE SUMMARY**

DIVISION SUMMARY

SERVICE DESCRIPTION

The Directorate comprises of the Executive Director associated costs and Development Brick by Brick (BxB).

Directorate is used to charge all administration costs relating to the Place department, such as insurance, legal and training costs, and pension costs relating to past employees. These costs are apportioned between the Place Divisions at the end of the financial year through Interdepartmental charges.

Development BxB Division maximises the Council's ability to act as a developer and generate a financial return to the Council through its relationship with Brick-by-Brick Ltd. Supports the identification and exploration of development opportunities that exist across the borough. Ensures that businesses and residents are able to benefit from regeneration, growth and investment in the borough.

MOVEMENT IN NET EXPENDITURE

COST CENTRE	SERVICE	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	Other (C) £000's		
C1100P	Place Directorate	-	-	-	-	n/a
C1106Q	Development BxB	(202)	9	193	-	(100)
C1107Q	Design & Feasibility	(119)	7	112	-	(100)
C1126Q	Development BxB Directorate	197	3	(200)	-	(100)
	TOTAL NET SPEND	(124)	19	105	-	(100)

STAFF ESTABLISHMENT NUMBERS

SERVICE	ORIGINAL BUDGET 2019/20 FTE STAFF	ORIGINAL BUDGET 2020/21 FTE STAFF	CHANGE IN FTE STAFF
Place Directorate	1.0	7.0	6.0
Development	-	-	-
Design & Feasibility	-	-	-
Development Directorate	-	-	-
TOTAL FTE STAFF	1.0	7.0	6.0

COST CENTRE: C1100P

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
53	Employees	1,179	19	(740)	458	(61)
-	Premises related expenditure	(155)	-	-	(155)	-
1	Supplies and Services	155	-	(100)	55	(65)
-	Third Party Payments	286	-	188	474	66
-	Transfer Payments	-	-	-	-	n/a
-	Transport related expenditure	-	-	-	-	n/a
(131)	Recharges from other services	63	-	(4)	59	(6)
(77)	TOTAL EXPENDITURE	1,528	19	(656)	891	(42)
-	Government Grants	-	-	-	-	n/a
3	Other Grants, reimbursements and contributions	(1,292)	-	1,292	-	(100)
-	Customer and Client Receipts	-	-	-	-	n/a
-	Interest Receivable	-	-	-	-	n/a
-	Recharges to other services	(655)	-	(293)	(948)	45
3	TOTAL INCOME	(1,947)	-	999	(948)	(51)
(74)	NET CONTROLLABLE COST	(419)	19	343	(57)	(86)
-	Capital Charges	8	-	(8)	-	(100)
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
-	Corporate support services bought in	287	-	(230)	57	(80)
-	TOTAL UNCONTROLLABLE COST	295	-	(238)	57	(81)
(74)	NET COST OF SERVICE	(124)	19	105	-	(100)
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
(74)	TOTAL NET EXPENDITURE	(124)	19	105	-	(100)
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						-
<u>Strategic budget - agreed additional income / savings</u>						124
<u>Other resource changes</u>						(19)
TOTAL OTHER VARIATIONS IN RESOURCE						105

COST CENTRE: C1100Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
-	Employees	183	-	275	458	150
-	Premises related expenditure	(155)	-	-	(155)	-
-	Supplies and Services	55	-	-	55	-
-	Third Party Payments	225	-	249	474	111
-	Transfer Payments	-	-	-	-	n/a
-	Transport related expenditure	-	-	-	-	n/a
(51)	Recharges from other services	52	-	7	59	13
(51)	TOTAL EXPENDITURE	360	-	531	891	148
-	Government Grants	-	-	-	-	n/a
-	Other Grants, reimbursements and contributions	-	-	-	-	n/a
-	Customer and Client Receipts	-	-	-	-	n/a
-	Interest Receivable	-	-	-	-	n/a
-	Recharges to other services	(655)	-	(293)	(948)	45
-	TOTAL INCOME	(655)	-	(293)	(948)	45
(51)	NET CONTROLLABLE COST	(295)	-	238	(57)	(81)
-	Capital Charges	8	-	(8)	-	(100)
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
-	Corporate support services bought in	287	-	(230)	57	(80)
-	TOTAL UNCONTROLLABLE COST	295	-	(238)	57	(81)
(51)	NET COST OF SERVICE	-	-	-	-	n/a
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
(51)	TOTAL NET EXPENDITURE	-	-	-	-	n/a
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
Strategic budget - agreed pressures / service demands						-
Strategic budget - agreed additional income / savings						-
Other resource changes						-
Sustainability Fund Growth						250
Executive Support employee costs						275
Variations in Directorate Recharges						(293)
Variations in SERCOP Charges						(230)
Cumulative minor variations.						(2)
TOTAL OTHER VARIATIONS IN RESOURCE						-

COST CENTRE: C1106Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
3	Employees	502	9	(511)	-	(100)
-	Premises related expenditure	-	-	-	-	n/a
1	Supplies and Services	-	-	-	-	n/a
-	Third Party Payments	-	-	-	-	n/a
-	Transfer Payments	-	-	-	-	n/a
-	Transport related expenditure	-	-	-	-	n/a
(71)	Recharges from other services	(81)	-	81	-	(100)
(67)	TOTAL EXPENDITURE	421	9	(430)	-	(100)
-	Government Grants	-	-	-	-	n/a
3	Other Grants, reimbursements and contributions	(623)	-	623	-	(100)
-	Customer and Client Receipts	-	-	-	-	n/a
-	Interest Receivable	-	-	-	-	n/a
-	Recharges to other services	-	-	-	-	n/a
3	TOTAL INCOME	(623)	-	623	-	(100)
(64)	NET CONTROLLABLE COST	(202)	9	193	-	(100)
-	Capital Charges	-	-	-	-	n/a
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
-	Corporate support services bought in	-	-	-	-	n/a
-	TOTAL UNCONTROLLABLE COST	-	-	-	-	n/a
(64)	NET COST OF SERVICE	(202)	9	193	-	(100)
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
(64)	TOTAL NET EXPENDITURE	(202)	9	193	-	(100)
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
						-
<u>Strategic budget - agreed additional income / savings</u>						
Realignment of Development division.						202
						202
<u>Other resource changes</u>						
Realignment of Development division.						(9)
						(9)
TOTAL OTHER VARIATIONS IN RESOURCE						193

COST CENTRE: C1107Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
50	Employees	340	7	(347)	-	(100)
-	- Premises related expenditure	-	-	-	-	n/a
-	- Supplies and Services	-	-	-	-	n/a
-	- Third Party Payments	-	-	-	-	n/a
-	- Transfer Payments	-	-	-	-	n/a
-	- Transport related expenditure	-	-	-	-	n/a
-	- Recharges from other services	1	-	(1)	-	(100)
50	TOTAL EXPENDITURE	341	7	(348)	-	(100)
-	- Government Grants	-	-	-	-	n/a
-	- Other Grants, reimbursements and contributions	(460)	-	460	-	(100)
-	- Customer and Client Receipts	-	-	-	-	n/a
-	- Interest Receivable	-	-	-	-	n/a
-	- Recharges to other services	-	-	-	-	n/a
-	TOTAL INCOME	(460)	-	460	-	(100)
50	NET CONTROLLABLE COST	(119)	7	112	-	(100)
-	- Capital Charges	-	-	-	-	n/a
-	- Intangible Charges	-	-	-	-	n/a
-	- REFCUS	-	-	-	-	n/a
-	- Corporate support services bought in	-	-	-	-	n/a
-	TOTAL UNCONTROLLABLE COST	-	-	-	-	n/a
50	NET COST OF SERVICE	(119)	7	112	-	(100)
-	- Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	- Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	- Financing of Capital Expenditure	-	-	-	-	n/a
-	- Provision for Repayment of External Loans	-	-	-	-	n/a
-	- Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
50	TOTAL NET EXPENDITURE	(119)	7	112	-	(100)
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						-
<u>Strategic budget - agreed additional income / savings</u>						119
Realignment of Development division.						
<u>Other resource changes</u>						119
Realignment of Development division.						(7)
						(7)
TOTAL OTHER VARIATIONS IN RESOURCE						112

COST CENTRE: C1126Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
-	Employees	154	3	(157)	-	(100)
-	Premises related expenditure	-	-	-	-	n/a
-	Supplies and Services	100	-	(100)	-	(100)
-	Third Party Payments	61	-	(61)	-	(100)
-	Transfer Payments	-	-	-	-	n/a
-	Transport related expenditure	-	-	-	-	n/a
(9)	Recharges from other services	91	-	(91)	-	(100)
(9)	TOTAL EXPENDITURE	406	3	(409)	-	(100)
-	Government Grants	-	-	-	-	n/a
-	Other Grants, reimbursements and contributions	(209)	-	209	-	(100)
-	Customer and Client Receipts	-	-	-	-	n/a
-	Interest Receivable	-	-	-	-	n/a
-	Recharges to other services	-	-	-	-	n/a
-	TOTAL INCOME	(209)	-	209	-	(100)
(9)	NET CONTROLLABLE COST	197	3	(200)	-	(100)
-	Capital Charges	-	-	-	-	n/a
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
-	Corporate support services bought in	-	-	-	-	n/a
-	TOTAL UNCONTROLLABLE COST	-	-	-	-	n/a
(9)	NET COST OF SERVICE	197	3	(200)	-	(100)
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
(9)	TOTAL NET EXPENDITURE	197	3	(200)	-	(100)
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
<u>Strategic budget - agreed additional income / savings</u>						
Realignment of Development division.						(197)
<u>Other resource changes</u>						
Realignment of Development division.						(3)
						(3)
TOTAL OTHER VARIATIONS IN RESOURCE						(200)

**PLACE
PUBLIC REALM
SERVICE DESCRIPTION**

DIVISION SUMMARY

The **Public Realm Division** is made up of Highways, Environment and Waste management, Commercial Licensing, Parking, Public Protection, Neighbourhood Services and Independent Travel Services.

Highways - Highways Services ensure the safety of highway users by delivering maintenance to carriageways, footways, public footpaths, street lighting and highway structures, drainage and flood management. The Service fulfils the statutory obligation to provide the role of Traffic Manager and, as a consequence, monitor all highway related works across the borough to coordinate and minimise the delay and disruption to road users. The Service is also responsible for the implementation of highway improvements, provides a road safety service which covers both preventative measures such as educational and physical measures on the highway and provides assistance to the School Travel Planning team.

Environmental services - This department has two core functions Environmental Services and Grounds Maintenance. The Environmental Services team oversee the management of street services as part of the South London Waste Partnership (SLWP) contracts. The SLWP was formed in 2003 between the boroughs of Croydon, Kingston, Merton, and Sutton and has a proven record of providing improved and more cost-effective waste management services through the procurement of complex waste disposal treatment, both household and commercial waste and recycling. The SLWP operate the Household Reuse and Recycling Centre and street cleansing contracts. The Green Spaces grounds maintenance team oversee and manage the green spaces contract, they are responsible for the maintenance of all of the borough's parks and green spaces including management and maintenance of open countryside.

Parking services - Parking Services are responsible for ensuring the free movement of traffic and availability of parking around the Borough. This includes on-street parking spaces, car parks and various parking permits. The Parking team is also responsible for enforcement of parking regulations and Blue Badges. Parking Services are improving the environment (air quality) for residents by introducing emissions based permits and paid for parking. The School Streets scheme is improving the environment (air quality and safety) around schools and is improving punctuality while increasing the number of children who walk to school.

The Public Protection The Public Protection Service includes the food safety, health and safety, trading standards, pollution control and housing environmental health functions including enforcement relating to the licensing of privately rented properties (selective licensing). The Food Team ensures that food sold, offered and stored for sale and entering the borough is wholesome, fit for human consumption and properly labelled and described. Health and Safety secures the health, safety and welfare of people in those premises where the local authority is the designated enforcement agency. Trading Standards ensures that local people and businesses are protected from illegal and unfair trade practices. Pollution control deals with a range of environmental pollution matters including air pollution, contaminated land and noise pollution.

The Commercial Licensing team process applications and issue licences for a wide range of licensable activities, such as the sale of alcohol, providing entertainment facilities, selling hot food at night, premises where gambling takes place, street trading (including markets), special treatments premises, scrap metal dealers, licensed sex establishments, animal welfare premises (such as pet shops, kennels & catteries) and highways licenses for skips, scaffolds & hoardings etc. The Team also visit premises to ensure compliance with the terms of licenses and any conditions attached to them. The Residential Licensing Team process applications and issue licences for privately rented properties throughout the borough – where there is a private landlord & tenant(s).

Neighbourhood Services - is split into 5 area teams focussing on environmental crime and ASB as well as the Environmental Enforcement Team which leads on prosecutions for environmental offences, highways offences and unauthorised encampments.

Independent Travel Service - Creating a single integrated travel service for eligible children and adults, reducing reliance on statutory services and increasing longer term independence

MOVEMENT IN NET EXPENDITURE

COST CENTRE	SERVICE	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	Other (C) £000's		
C1102Q	Parking Infrastructure	277	-	(277)	-	(100)
C1103Q	Highways	13,010	67	(957)	12,120	(7)
C1104Q	Waste - Environmental Services	30,062	(16)	2,945	32,991	10
C1120Q	Parking	(11,240)	67	(5,205)	(16,378)	46
C1121Q	Public Protection	(6)	55	(1,087)	(1,038)	17,200
C1122Q	Partnership & Intelligence Support	2,496	-	(2,496)	-	(100)
C1123Q	Licensing	(388)	(2)	48	(342)	(12)
C1124Q	Neighbourhood Operations	2,062	33	(372)	1,723	(16)
C1129Q	Community Safety Management	(229)	-	229	-	(100)
C1245Q	Independent Travel Service	18,030	19	(5,254)	12,795	(29)
C1678Q	Croydon Transport Service	575	10	(48)	537	(7)
C1112Q	Public Realm Management	-	3	4,635	4,638	n/a
	TOTAL NET SPEND	54,649	236	(7,839)	47,046	(14)

STAFF ESTABLISHMENT NUMBERS

SERVICE	ORIGINAL BUDGET 2019/20	ORIGINAL BUDGET 2020/21	CHANGE IN FTE
	FTE STAFF	FTE STAFF	FTE STAFF
Highways	73.0	79.0	6.0
Waste - Environmental Services	142.5	109.0	(33.5)
Parking	126.8	112.0	(14.8)
Public Protection	69.6	67.9	(1.7)
Partnership & Intelligence Support	47.4	-	(47.4)
Licensing	7.9	9.0	1.1
Neighbourhood Operations	33.0	53.6	20.6
Community Safety Management	3.0	-	(3.0)
Independent Travel Service	25.0	49.6	24.6
Croydon Transport Service Summary	14.8	10.0	(4.8)
Public Realm Management	-	1.0	1.0
TOTAL FTE STAFF	543.0	491.1	(51.9)

COST CENTRE: C1110P

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
19,298	Employees	18,876	318	1,440	20,634	9
5,111	Premises related expenditure	5,111	-	(3,279)	1,832	(64)
29,706	Supplies and Services	27,963	-	4,750	32,713	17
4,057	Third Party Payments	4,611	-	(669)	3,942	(15)
400	Transfer Payments	271	-	-	271	-
11,284	Transport related expenditure	10,262	-	1,050	11,312	10
834	Recharges from other services	850	-	33	883	4
70,690	TOTAL EXPENDITURE	67,944	318	3,325	71,587	5
-	Government Grants	-	-	-	-	n/a
(2,149)	Other Grants, reimbursements and contributions	(2,020)	-	(150)	(2,170)	7
(27,418)	Customer and Client Receipts	(24,995)	(82)	(8,367)	(33,444)	34
-	Interest Receivable	-	-	-	-	n/a
(8,283)	Recharges to other services	(8,538)	-	3,997	(4,541)	(47)
(37,850)	TOTAL INCOME	(35,553)	(82)	(4,520)	(40,155)	13
32,840	NET CONTROLLABLE COST	32,391	236	(1,195)	31,432	(3)
10,157	Capital Charges	10,157	-	854	11,011	8
6	Intangible Charges	6	-	218	224	3,633
-	REFCUS	-	-	-	-	n/a
12,031	Corporate support services bought in	12,095	-	(7,716)	4,379	(64)
22,194	TOTAL UNCONTROLLABLE COST	22,258	-	(6,644)	15,614	(30)
55,034	NET COST OF SERVICE	54,649	236	(7,839)	47,046	(14)
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
55,034	TOTAL NET EXPENDITURE	54,649	236	(7,839)	47,046	(14)
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
Strategic budget - agreed pressures / service demands						5,500
Strategic budget - agreed additional income / savings						(4,682)
Other resource changes						(8,657)
TOTAL OTHER VARIATIONS IN RESOURCE						(7,839)

COST CENTRE: C1102Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
291	Employees	291	-	(291)	-	(100)
-	Premises related expenditure	-	-	-	-	n/a
132	Supplies and Services	132	-	(132)	-	(100)
-	Third Party Payments	-	-	-	-	n/a
-	Transfer Payments	-	-	-	-	n/a
-	Transport related expenditure	-	-	-	-	n/a
3	Recharges from other services	3	-	(3)	-	(100)
426	TOTAL EXPENDITURE	426	-	(426)	-	(100)
-	Government Grants	-	-	-	-	n/a
-	Other Grants, reimbursements and contributions	-	-	-	-	n/a
(213)	Customer and Client Receipts	(213)	-	213	-	(100)
-	Interest Receivable	-	-	-	-	n/a
-	Recharges to other services	-	-	-	-	n/a
(213)	TOTAL INCOME	(213)	-	213	-	(100)
213	NET CONTROLLABLE COST	213	-	(213)	-	(100)
-	Capital Charges	-	-	-	-	n/a
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
64	Corporate support services bought in	64	-	(64)	-	(100)
64	TOTAL UNCONTROLLABLE COST	64	-	(64)	-	(100)
277	NET COST OF SERVICE	277	-	(277)	-	(100)
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
277	TOTAL NET EXPENDITURE	277	-	(277)	-	(100)
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
						-
<u>Strategic budget - agreed additional income / savings</u>						
						-
<u>Other resource changes</u>						
Transfer of budgets to C1103Q Highways (PL2.4) rationalisation of budgets.						(213)
Transfer of SERCOP charges to Public Realm Directorate (centralisation of SERCOP).						(64)
						(277)
TOTAL OTHER VARIATIONS IN RESOURCE						(277)

COST CENTRE: C1103Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
3,765	Employees	3,658	79	15	3,752	3
1,294	Premises related expenditure	1,294	-	(170)	1,124	(13)
1,319	Supplies and Services	1,291	-	130	1,421	10
2,317	Third Party Payments	2,861	-	431	3,292	15
-	Transfer Payments	-	-	-	-	n/a
-	Transport related expenditure	-	-	-	-	n/a
156	Recharges from other services	156	-	(39)	117	(25)
8,851	TOTAL EXPENDITURE	9,260	79	367	9,706	5
-	Government Grants	-	-	-	-	n/a
(1,768)	Other Grants, reimbursements and contributions	(1,462)	-	(167)	(1,629)	11
(1,259)	Customer and Client Receipts	(1,259)	(12)	(185)	(1,456)	16
-	Interest Receivable	-	-	-	-	n/a
(1,155)	Recharges to other services	(1,312)	-	(542)	(1,854)	41
(4,182)	TOTAL INCOME	(4,033)	(12)	(894)	(4,939)	22
4,669	NET CONTROLLABLE COST	5,227	67	(527)	4,767	(9)
6,872	Capital Charges	6,872	-	290	7,162	4
-	Intangible Charges	-	-	191	191	n/a
-	REFCUS	-	-	-	-	n/a
911	Corporate support services bought in	911	-	(911)	-	(100)
7,783	TOTAL UNCONTROLLABLE COST	7,783	-	(430)	7,353	(6)
12,452	NET COST OF SERVICE	13,010	67	(957)	12,120	(7)
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
12,452	TOTAL NET EXPENDITURE	13,010	67	(957)	12,120	(7)
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						-
<u>Strategic budget - agreed additional income / savings</u>						(170)
Street Lighting Energy Efficiencies						(170)
<u>Other resource changes</u>						476
Revised Capital Charges.						(911)
Transfer of SERCOP charges to Public Realm Directorate (centralisation of SERCOP).						(62)
Revised Directorate Recharges						(143)
Director of Public Realm budget moved from Highways to Public Realm Management C1112Q (PL2.14)						383
Additional charges within Street Lighting PFI.						(542)
Additional recharges to Capital/TFL funded schemes.						(167)
Additional income from new working practices and efficiencies.						213
Transfer of budgets from C1102Q Parking Infrastructure (PL2.3) rationalisation of budgets.						(34)
Cumulative minor variations.						(787)
TOTAL OTHER VARIATIONS IN RESOURCE						(957)

COST CENTRE: C1104Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
1,355	Employees	1,355	28	2,693	4,076	201
3,300	Premises related expenditure	3,300	-	(3,153)	147	(96)
26,065	Supplies and Services	24,343	-	5,398	29,741	22
1,130	Third Party Payments	1,179	-	(994)	185	(84)
-	Transfer Payments	-	-	-	-	n/a
115	Transport related expenditure	115	-	(18)	97	(16)
52	Recharges from other services	68	-	118	186	174
32,017	TOTAL EXPENDITURE	30,360	28	4,044	34,432	13
-	Government Grants	-	-	-	-	n/a
(7)	Other Grants, reimbursements and contributions	(7)	-	-	(7)	-
(3,038)	Customer and Client Receipts	(3,107)	(44)	12	(3,139)	1
-	Interest Receivable	-	-	-	-	n/a
(1,574)	Recharges to other services	(1,574)	-	(134)	(1,708)	9
(4,619)	TOTAL INCOME	(4,688)	(44)	(122)	(4,854)	4
27,398	NET CONTROLLABLE COST	25,672	(16)	3,922	29,578	15
2,640	Capital Charges	2,640	-	773	3,413	29
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
1,750	Corporate support services bought in	1,750	-	(1,750)	-	(100)
4,390	TOTAL UNCONTROLLABLE COST	4,390	-	(977)	3,413	(22)
31,788	NET COST OF SERVICE	30,062	(16)	2,945	32,991	10
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
31,788	TOTAL NET EXPENDITURE	30,062	(16)	2,945	32,991	10
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
Waste population growth.						1,000
Veolia contract commitments						1,500
Other 2019/20 cost pressures						1,000
						3,500
<u>Strategic budget - agreed additional income / savings</u>						
Close Neighbourhood Recycling Centres						(171)
						(171)
<u>Other resource changes</u>						
Revised Capital Charges.						773
Transfer of SERCOP charges to Public Realm Management centralisation of SERCOP C1112Q (PL2.14).						(1,750)
revised Directorate Recharges						118
HRRC contract variation including payment of LLW to all staff.						485
Additional Employee Costs for TUPE true up within the Velioa Contract						818
Transfer of Leisure Contract to Active Lifestyles C1128Q (PL 4.3)						(181)
Transfer of Leisure Contract support staff to Active Lifestyles C1128Q (PL 4.3)						(1,104)
Transfer from Active Lifestyles C1128Q (PL 4.3)						103
Transfer from Bereavement and Registrars (HW 3.4) Grounds maintenance budget.						298
Cumulative minor variations.						56
						(384)
TOTAL OTHER VARIATIONS IN RESOURCE						2,945

COST CENTRE: C1120Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
4,375	Employees	4,375	83	791	5,249	20
189	Premises related expenditure	189	-	-	189	-
1,234	Supplies and Services	1,234	-	(13)	1,221	(1)
187	Third Party Payments	187	-	-	187	-
-	Transfer Payments	-	-	-	-	n/a
80	Transport related expenditure	80	-	(13)	67	(16)
93	Recharges from other services	93	-	(87)	6	(94)
6,158	TOTAL EXPENDITURE	6,158	83	678	6,919	12
-	Government Grants	-	-	-	-	n/a
-	Other Grants, reimbursements and contributions	-	-	-	-	n/a
(21,435)	Customer and Client Receipts	(18,832)	(16)	(4,880)	(23,728)	26
-	Interest Receivable	-	-	-	-	n/a
-	Recharges to other services	-	-	-	-	n/a
(21,435)	TOTAL INCOME	(18,832)	(16)	(4,880)	(23,728)	26
(15,277)	NET CONTROLLABLE COST	(12,674)	67	(4,202)	(16,809)	33
616	Capital Charges	616	-	(185)	431	(30)
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
818	Corporate support services bought in	818	-	(818)	-	(100)
1,434	TOTAL UNCONTROLLABLE COST	1,434	-	(1,003)	431	(70)
(13,843)	NET COST OF SERVICE	(11,240)	67	(5,205)	(16,378)	46
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
(13,843)	TOTAL NET EXPENDITURE	(11,240)	67	(5,205)	(16,378)	46
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
						-
<u>Strategic budget - agreed additional income / savings</u>						
Increase in Pay and Display Charges by 10p per linear tariff						(800)
Additional CEO's to increase parking enforcement						(1,360)
ANPR camera upgrades and additional enforcement using cameras						(1,200)
Parking Signs and Lines replacement programme to increase enforcement						(315)
Blue badge enforcement measures						(100)
Introduction of emissions based parking income charges						(115)
						(3,890)
<u>Other resource changes</u>						
Revised Capital Charges.						(185)
Transfer of SERCOP charges to Public Realm Management centralisation of SERCOP C1112Q (PL2.14).						(818)
Revised Directorate Recharges						(85)
Income realignments to reflect current operational demand						(206)
Cumulative minor variations.						(21)
						(1,315)
TOTAL OTHER VARIATIONS IN RESOURCE						(5,205)

COST CENTRE: C1121Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
3,324	Employees	3,284	56	(142)	3,198	(3)
108	Premises related expenditure	108	-	-	108	-
191	Supplies and Services	191	-	(37)	154	(19)
10	Third Party Payments	10	-	-	10	-
-	Transfer Payments	-	-	-	-	n/a
-	Transport related expenditure	-	-	-	-	n/a
118	Recharges from other services	118	-	(71)	47	(60)
3,751	TOTAL EXPENDITURE	3,711	56	(250)	3,517	(5)
-	Government Grants	-	-	-	-	n/a
(138)	Other Grants, reimbursements and contributions	(138)	-	-	(138)	-
(310)	Customer and Client Receipts	(310)	(1)	(3,704)	(4,015)	1,195
-	Interest Receivable	-	-	-	-	n/a
(3,841)	Recharges to other services	(3,881)	-	3,453	(428)	(89)
(4,289)	TOTAL INCOME	(4,329)	(1)	(251)	(4,581)	6
(538)	NET CONTROLLABLE COST	(618)	55	(501)	(1,064)	72
23	Capital Charges	23	-	(23)	-	(100)
-	Intangible Charges	-	-	26	26	n/a
-	REFCUS	-	-	-	-	n/a
589	Corporate support services bought in	589	-	(589)	-	(100)
612	TOTAL UNCONTROLLABLE COST	612	-	(586)	26	(96)
74	NET COST OF SERVICE	(6)	55	(1,087)	(1,038)	17,200
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
74	TOTAL NET EXPENDITURE	(6)	55	(1,087)	(1,038)	17,200
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						-
<u>Strategic budget - agreed additional income / savings</u>						(53)
Suuplies and Services Savings						(53)
<u>Other resource changes</u>						
Variations in Capital Charges.						3
Transfer of SERCOP charges to Public Realm Management centralisation of SERCOP C1112Q (PL2.14).						(589)
Variations in Directorate Recharges						(58)
Transfer of Anti Social Behaviour Team to Violence Reduction Network Divisional Reorganisation C1122Q (PL8.4)						(229)
Additional income opportunities across services.						(199)
Cumulative minor variations.						38
						(1,034)
TOTAL OTHER VARIATIONS IN RESOURCE						(1,087)

COST CENTRE: C1122Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
2,102	Employees	2,102	-	(2,102)	-	(100)
2	Premises related expenditure	2	-	(2)	-	(100)
611	Supplies and Services	611	-	(611)	-	(100)
134	Third Party Payments	134	-	(134)	-	(100)
-	Transfer Payments	-	-	-	-	n/a
45	Transport related expenditure	45	-	(45)	-	(100)
176	Recharges from other services	176	-	(176)	-	(100)
3,070	TOTAL EXPENDITURE	3,070	-	(3,070)	-	(100)
-	Government Grants	-	-	-	-	n/a
(20)	Other Grants, reimbursements and contributions	(20)	-	20	-	(100)
(139)	Customer and Client Receipts	(139)	-	139	-	(100)
-	Interest Receivable	-	-	-	-	n/a
(812)	Recharges to other services	(812)	-	812	-	(100)
(971)	TOTAL INCOME	(971)	-	971	-	(100)
2,099	NET CONTROLLABLE COST	2,099	-	(2,099)	-	(100)
-	Capital Charges	-	-	-	-	n/a
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
397	Corporate support services bought in	397	-	(397)	-	(100)
397	TOTAL UNCONTROLLABLE COST	397	-	(397)	-	(100)
2,496	NET COST OF SERVICE	2,496	-	(2,496)	-	(100)
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
2,496	TOTAL NET EXPENDITURE	2,496	-	(2,496)	-	(100)
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						-
<u>Strategic budget - agreed additional income / savings</u>						-
<u>Other resource changes</u>						-
Transfer of Partnership & Intelligence Support to Violence Reduction Network, Divisional Reorganisation C1122Q (PL8).						(2,496)
						(2,496)
TOTAL OTHER VARIATIONS IN RESOURCE						(2,496)

PLACE
PUBLIC REALM
LICENSING SUMMARY

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1123Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
350	Employees	350	7	(14)	343	(2)
38	Premises related expenditure	38	-	12	50	32
40	Supplies and Services	40	-	-	40	-
165	Third Party Payments	126	-	-	126	-
-	Transfer Payments	-	-	-	-	n/a
1	Transport related expenditure	1	-	-	1	-
3	Recharges from other services	3	-	3	6	100
597	TOTAL EXPENDITURE	558	7	1	566	1
-	Government Grants	-	-	-	-	n/a
-	Other Grants, reimbursements and contributions	-	-	-	-	n/a
(857)	Customer and Client Receipts	(957)	(9)	58	(908)	(5)
-	Interest Receivable	-	-	-	-	n/a
(6)	Recharges to other services	(6)	-	6	-	(100)
(863)	TOTAL INCOME	(963)	(9)	64	(908)	(6)
(266)	NET CONTROLLABLE COST	(405)	(2)	65	(342)	(16)
-	Capital Charges	-	-	-	-	n/a
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
17	Corporate support services bought in	17	-	(17)	-	(100)
17	TOTAL UNCONTROLLABLE COST	17	-	(17)	-	(100)
(249)	NET COST OF SERVICE	(388)	(2)	48	(342)	(12)
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
(249)	TOTAL NET EXPENDITURE	(388)	(2)	48	(342)	(12)
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
						-
<u>Strategic budget - agreed additional income / savings</u>						
						-
<u>Other resource changes</u>						
Revised Capital Charges.						
Transfer of SERCOP charges to Public Realm Management centralisation of SERCOP C1112Q (PL2.14).						(17)
Revised Directorate Recharges						3
Transfer of 0.5 fte to Licensing from C1618Q (HW 3.7)						17
Cumulative minor variations.						45
						48
TOTAL OTHER VARIATIONS IN RESOURCE						48

PLACE
PUBLIC REALM
NEIGHBOURHOOD OPERATIONS

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1124Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
1,605	Employees	1,644	33	(34)	1,643	(0)
113	Premises related expenditure	113	-	-	113	-
86	Supplies and Services	93	-	-	93	-
45	Third Party Payments	45	-	(7)	38	(16)
-	Transfer Payments	-	-	-	-	n/a
3	Transport related expenditure	3	-	-	3	-
157	Recharges from other services	157	-	(34)	123	(22)
2,009	TOTAL EXPENDITURE	2,055	33	(75)	2,013	(2)
-	Government Grants	-	-	-	-	n/a
-	Other Grants, reimbursements and contributions	-	-	-	-	n/a
(167)	Customer and Client Receipts	(178)	-	(20)	(198)	11
-	Interest Receivable	-	-	-	-	n/a
(97)	Recharges to other services	(97)	-	-	(97)	-
(264)	TOTAL INCOME	(275)	-	(20)	(295)	7
1,745	NET CONTROLLABLE COST	1,780	33	(95)	1,718	(3)
6	Capital Charges	6	-	(1)	5	(17)
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
276	Corporate support services bought in	276	-	(276)	-	(100)
282	TOTAL UNCONTROLLABLE COST	282	-	(277)	5	(98)
2,027	NET COST OF SERVICE	2,062	33	(372)	1,723	(16)
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
2,027	TOTAL NET EXPENDITURE	2,062	33	(372)	1,723	(16)
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
						-
<u>Strategic budget - agreed additional income / savings</u>						
						-
<u>Other resource changes</u>						
Revised Capital Charges.						(1)
Transfer of SERCOP charges to Public Realm Management centralisation of SERCOP C1112Q (PL2.14).						(276)
Revised Directorate Recharges						(95)
						(372)
TOTAL OTHER VARIATIONS IN RESOURCE						(372)

COST CENTRE: C1129Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
277	Employees	277	-	(277)	-	(100)
-	Premises related expenditure	-	-	-	-	n/a
4	Supplies and Services	4	-	(4)	-	(100)
-	Third Party Payments	-	-	-	-	n/a
-	Transfer Payments	-	-	-	-	n/a
-	Transport related expenditure	-	-	-	-	n/a
4	Recharges from other services	4	-	(4)	-	(100)
285	TOTAL EXPENDITURE	285	-	(285)	-	(100)
-	Government Grants	-	-	-	-	n/a
-	Other Grants, reimbursements and contributions	-	-	-	-	n/a
-	Customer and Client Receipts	-	-	-	-	n/a
-	Interest Receivable	-	-	-	-	n/a
(548)	Recharges to other services	(548)	-	548	-	(100)
(548)	TOTAL INCOME	(548)	-	548	-	(100)
(263)	NET CONTROLLABLE COST	(263)	-	263	-	(100)
-	Capital Charges	-	-	-	-	n/a
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
34	Corporate support services bought in	34	-	(34)	-	(100)
34	TOTAL UNCONTROLLABLE COST	34	-	(34)	-	(100)
(229)	NET COST OF SERVICE	(229)	-	229	-	(100)
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
(229)	TOTAL NET EXPENDITURE	(229)	-	229	-	(100)
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
<u>Strategic budget - agreed additional income / savings</u>						-
<u>Other resource changes</u>						
Transfer of Community Safety Management to Violence Reduction Network, Divisional Reorganisation C1122Q (PL8.4)						229
						229
TOTAL OTHER VARIATIONS IN RESOURCE						229

PLACE
PUBLIC REALM
INDEPENDENT TRAVEL SERVICE

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1245Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
1,330	Employees	1,044	19	639	1,702	63
67	Premises related expenditure	67	-	34	101	51
21	Supplies and Services	21	-	19	40	90
65	Third Party Payments	65	-	35	100	54
400	Transfer Payments	271	-	-	271	-
11,040	Transport related expenditure	10,018	-	1,126	11,144	11
-	Recharges from other services	-	-	-	-	n/a
12,923	TOTAL EXPENDITURE	11,486	19	1,853	13,358	16
-	Government Grants	-	-	-	-	n/a
(216)	Other Grants, reimbursements and contributions	(393)	-	(3)	(396)	1
-	Customer and Client Receipts	-	-	-	-	n/a
-	Interest Receivable	-	-	-	-	n/a
(250)	Recharges to other services	(308)	-	134	(174)	(44)
(466)	TOTAL INCOME	(701)	-	131	(570)	(19)

12,457	NET CONTROLLABLE COST	10,785	19	1,984	12,788	19
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-	Capital Charges	-	-	-	-	n/a
6	Intangible Charges	6	-	1	7	17
-	REFCUS	-	-	-	-	n/a
7,239	Corporate support services bought in	7,239	-	(7,239)	-	(100)
7,245	TOTAL UNCONTROLLABLE COST	7,245	-	(7,238)	7	(100)

19,702	NET COST OF SERVICE	18,030	19	(5,254)	12,795	(29)
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	Contributions to / (from) Earmarked Reserves	-			-	n/a
	Contributions to / (from) Capital Reserves:	-			-	n/a
	Financing of Capital Expenditure	-			-	n/a
	Provision for Repayment of External Loans	-			-	n/a
	Contribution to / (from) General Balances	-			-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a

19,702	TOTAL NET EXPENDITURE	18,030	19	(5,254)	12,795	(29)
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* OTHER VARIATIONS IN LEVEL OF EXPENDITURE	£000's
<u>Strategic budget - agreed pressures / service demands</u> SEN transport Growth.	2,000
	2,000
<u>Strategic budget - agreed additional income / savings</u> Combine current Dementia Service and Older Peoples Transport services.	(118)
	(118)
<u>Other resource changes</u>	
Revised Capital Charges.	1
Removal of SERCOP charges from previous Directorate codes.	(7,239)
Reduction in charges to other services and other Local Authorities	134
Cumulative minor variations.	(32)
	(7,136)
TOTAL OTHER VARIATIONS IN RESOURCE	(5,254)

COST CENTRE: C1678Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
524	Employees	496	10	24	530	7
-	Premises related expenditure	-	-	-	-	n/a
3	Supplies and Services	3	-	-	3	-
4	Third Party Payments	4	-	-	4	-
-	Transfer Payments	-	-	-	-	n/a
-	Transport related expenditure	-	-	-	-	n/a
72	Recharges from other services	72	-	(72)	-	(100)
603	TOTAL EXPENDITURE	575	10	(48)	537	(7)
-	Government Grants	-	-	-	-	n/a
-	Other Grants, reimbursements and contributions	-	-	-	-	n/a
-	Customer and Client Receipts	-	-	-	-	n/a
-	Interest Receivable	-	-	-	-	n/a
-	Recharges to other services	-	-	-	-	n/a
-	TOTAL INCOME	-	-	-	-	n/a
603	NET CONTROLLABLE COST	575	10	(48)	537	(7)
-	Capital Charges	-	-	-	-	n/a
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
-	Corporate support services bought in	-	-	-	-	n/a
-	TOTAL UNCONTROLLABLE COST	-	-	-	-	n/a
603	NET COST OF SERVICE	575	10	(48)	537	(7)
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
603	TOTAL NET EXPENDITURE	575	10	(48)	537	(7)
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
<u>Strategic budget - agreed additional income / savings</u>						-
<u>Other resource changes</u>						
Transfer to C & P Place and Resources (RED 2.9) C1676Q						(72)
Cumulative minor variations.						24
						(48)
TOTAL OTHER VARIATIONS IN RESOURCE						(48)

COST CENTRE: C1112Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
-	Employees	-	3	138	141	n/a
-	Premises related expenditure	-	-	-	-	n/a
-	Supplies and Services	-	-	-	-	n/a
-	Third Party Payments	-	-	-	-	n/a
-	Transfer Payments	-	-	-	-	n/a
-	Transport related expenditure	-	-	-	-	n/a
-	Recharges from other services	-	-	398	398	n/a
-	TOTAL EXPENDITURE	-	3	536	539	n/a
-	Government Grants	-	-	-	-	n/a
-	Other Grants, reimbursements and contributions	-	-	-	-	n/a
-	Customer and Client Receipts	-	-	-	-	n/a
-	Interest Receivable	-	-	-	-	n/a
-	Recharges to other services	-	-	(280)	(280)	n/a
-	TOTAL INCOME	-	-	(280)	(280)	n/a
-	NET CONTROLLABLE COST	-	3	256	259	n/a
-	Capital Charges	-	-	-	-	n/a
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
-	Corporate support services bought in	-	-	4,379	4,379	n/a
-	TOTAL UNCONTROLLABLE COST	-	-	4,379	4,379	n/a
-	NET COST OF SERVICE	-	3	4,635	4,638	n/a
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
-	TOTAL NET EXPENDITURE	-	3	4,635	4,638	n/a
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						-
<u>Strategic budget - agreed additional income / savings</u>						(280)
Phase 2 Corporate Restructure						(280)
<u>Other resource changes</u>						
Transfer of SERCOP charges to Public Realm Directorate (centralisation of SERCOP) from departments.						4,379
Revised Directorate Recharges (centralised to Management Code)						398
Director of Public Realm budget moved from Highways C1130Q (PL2.4)						143
Cumulative minor variations.						(5)
						4,915
TOTAL OTHER VARIATIONS IN RESOURCE						4,635

SERVICE DESCRIPTION

The Growth, Employment and Regeneration division creates the conditions for sustainable economic growth in the borough, developing an environment that encourages business to invest in our district centres and to employ local people.

The services in the division encompass the following functions:

Employment and Investment - positioning the borough for growth by creating policy and practice that generates investment and collaboration, creating new jobs in the borough through inward investment and by supporting and working with our existing businesses base;

Employment and Skills - linking our unemployed residents into jobs created by regeneration and growth through Croydon Works and other pathways to work initiatives;

Adult Learning - helping our residents move into better paid jobs and out of poverty through bespoke training and support packages, ensuring that our residents have the right skills for employment and life through CALAT (Croydon Adult Learning and Training), ensuring that our schools and colleges are equipping their students with the skills and attitudes that employers want;

Regeneration and Partnerships - local programming of activities in order to generate interest and kick-start socio-economic development and regeneration programmes in district centres and high streets;

Capital Delivery for Homes & School - delivering schools, leisure and regeneration capital programmes; supporting our colleagues in the Children, Families & Education department to deliver the necessary additional school places through our schools delivery programme.

MOVEMENT IN NET EXPENDITURE

COST CENTRE	SERVICE	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	Other (C) £000's		
C1105Q	Employment & Investment	1,000	16	332	1,348	35
C1234Q	Adult Learning	273	68	(586)	(245)	(190)
C1130Q	Employment & Skills Delivery	200	12	30	242	21
C1114Q	Homes & School Improvement	119	13	(93)	39	(67)
C1115Q	Regeneration & Partnership	1,030	16	(202)	844	(18)
C1127Q	District Centres and Regeneration Directorate	177	-	485	662	274
	TOTAL NET SPEND	2,799	125	(34)	2,890	3

STAFF ESTABLISHMENT NUMBERS

SERVICE	ORIGINAL BUDGET 2019/20	ORIGINAL BUDGET 2020/21	CHANGE IN
	FTE STAFF	FTE STAFF	FTE STAFF
Employment & Investment	13.5	12.4	(1.1)
Adult Learning	66.8	66.8	-
Employment & Skills Delivery	14.4	14.4	-
Homes & School Improvement	10.0	10.0	-
Regeneration & Partnership	12.0	13.6	1.6
District Centres and Regeneration Directorate	1.0	1.0	-
TOTAL FTE STAFF	117.7	118.2	0.5

COST CENTRE: C1160P

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
6,071	Employees	6,393	129	(111)	6,411	0
14	Premises related expenditure	34	-	-	34	-
2,625	Supplies and Services	2,505	-	(26)	2,479	(1)
24	Third Party Payments	14	-	-	14	-
-	Transfer Payments	-	-	-	-	n/a
3	Transport related expenditure	4	-	(1)	3	(25)
894	Recharges from other services	974	-	48	1,022	5
9,632	TOTAL EXPENDITURE	9,924	129	(90)	9,963	0
(6,228)	Government Grants	(6,107)	-	-	(6,107)	-
(86)	Other Grants, reimbursements and contributions	(29)	-	-	(29)	-
(834)	Customer and Client Receipts	(999)	(4)	-	(1,003)	0
-	Interest Receivable	-	-	-	-	n/a
(1,644)	Recharges to other services	(1,788)	-	(101)	(1,889)	6
(8,792)	TOTAL INCOME	(8,923)	(4)	(101)	(9,028)	1
840	NET CONTROLLABLE COST	1,001	125	(191)	935	(7)
485	Capital Charges	485	-	8	493	2
-	Intangible Charges	-	-	-	-	n/a
330	REFCUS	330	-	-	330	-
983	Corporate support services bought in	983	-	149	1,132	15
1,798	TOTAL UNCONTROLLABLE COST	1,798	-	157	1,955	9
2,638	NET COST OF SERVICE	2,799	125	(34)	2,890	3
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
2,638	TOTAL NET EXPENDITURE	2,799	125	(34)	2,890	3
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						150
<u>Strategic budget - agreed additional income / savings</u>						(285)
<u>Other resource changes</u>						101
TOTAL OTHER VARIATIONS IN RESOURCE						(34)

PLACE
GROWTH EMPLOYMENT AND REGNERATION
EMPLOYMENT & INVESTMENT

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1105Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
726	Employees	826	16	(204)	638	(23)
-	Premises related expenditure	-	-	-	-	n/a
133	Supplies and Services	119	-	(12)	107	(10)
20	Third Party Payments	4	-	-	4	-
-	Transfer Payments	-	-	-	-	n/a
-	Transport related expenditure	1	-	-	1	-
(2)	Recharges from other services	(4)	-	-	(4)	-
877	TOTAL EXPENDITURE	946	16	(216)	746	(21)
-	Government Grants	-	-	-	-	n/a
-	Other Grants, reimbursements and contributions	-	-	-	-	n/a
-	Customer and Client Receipts	-	-	-	-	n/a
-	Interest Receivable	-	-	-	-	n/a
(61)	Recharges to other services	(61)	-	-	(61)	-
(61)	TOTAL INCOME	(61)	-	-	(61)	-
816	NET CONTROLLABLE COST	885	16	(216)	685	(23)
-	Capital Charges	-	-	-	-	n/a
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
115	Corporate support services bought in	115	-	548	663	477
115	TOTAL UNCONTROLLABLE COST	115	-	548	663	477
931	NET COST OF SERVICE	1,000	16	332	1,348	35
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
931	TOTAL NET EXPENDITURE	1,000	16	332	1,348	35
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
						-
<u>Strategic budget - agreed additional income / savings</u>						
Staff Saving - deletion of Economic Growth Director's post						(138)
Saving on subscriptions						(25)
Service delivery savings						(49)
						(212)
<u>Other resource changes</u>						
Cumulative minor variations.						(4)
Revised SERCOP charge						548
						544
TOTAL OTHER VARIATIONS IN RESOURCE						332

PLACE
GROWTH EMPLOYMENT AND REGNERATION
ADULT LEARNING

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1234Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
3,484	Employees	3,356	72	(72)	3,356	-
16	Premises related expenditure	34	-	-	34	-
536	Supplies and Services	436	-	-	436	-
-	Third Party Payments	-	-	-	-	n/a
-	Transfer Payments	-	-	-	-	n/a
1	Transport related expenditure	2	-	-	2	-
867	Recharges from other services	949	-	38	987	4
4,904	TOTAL EXPENDITURE	4,777	72	(34)	4,815	1
(4,174)	Government Grants	(4,053)	-	-	(4,053)	-
(19)	Other Grants, reimbursements and contributions	(29)	-	-	(29)	-
(834)	Customer and Client Receipts	(999)	(4)	-	(1,003)	0
-	Interest Receivable	-	-	-	-	n/a
(620)	Recharges to other services	(468)	-	-	(468)	-
(5,647)	TOTAL INCOME	(5,549)	(4)	-	(5,553)	0
(743)	NET CONTROLLABLE COST	(772)	68	(34)	(738)	(4)
485	Capital Charges	485	-	8	493	2
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
560	Corporate support services bought in	560	-	(560)	-	(100)
1,045	TOTAL UNCONTROLLABLE COST	1,045	-	(552)	493	(53)
302	NET COST OF SERVICE	273	68	(586)	(245)	(190)
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
302	TOTAL NET EXPENDITURE	273	68	(586)	(245)	(190)
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						-
<u>Strategic budget - agreed additional income / savings</u>						-
<u>Other resource changes</u>						-
Staff increments and scale point variations						(72)
Revised intra-directorate recharges						38
Revised capital charges						8
Centralisation of SERCOP charges to Directorate in Growth Employment and Investment C1127Q (PL3.8)						(560)
						(586)
TOTAL OTHER VARIATIONS IN RESOURCE						(586)

PLACE
GROWTH EMPLOYMENT AND REGNERATION
EMPLOYMENT & SKILLS DELIVERY

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1130Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
581	Employees	598	12	136	746	25
-	Premises related expenditure	-	-	-	-	n/a
1,904	Supplies and Services	1,904	-	2	1,906	0
4	Third Party Payments	4	-	-	4	-
-	Transfer Payments	-	-	-	-	n/a
-	Transport related expenditure	-	-	-	-	n/a
-	Recharges from other services	-	-	-	-	n/a
2,489	TOTAL EXPENDITURE	2,506	12	138	2,656	6
(2,054)	Government Grants	(2,054)	-	-	(2,054)	-
-	Other Grants, reimbursements and contributions	-	-	-	-	n/a
-	Customer and Client Receipts	-	-	-	-	n/a
-	Interest Receivable	-	-	-	-	n/a
(360)	Recharges to other services	(360)	-	-	(360)	-
(2,414)	TOTAL INCOME	(2,414)	-	-	(2,414)	-
75	NET CONTROLLABLE COST	92	12	138	242	163
-	Capital Charges	-	-	-	-	n/a
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
108	Corporate support services bought in	108	-	(108)	-	(100)
108	TOTAL UNCONTROLLABLE COST	108	-	(108)	-	(100)
183	NET COST OF SERVICE	200	12	30	242	21
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
183	TOTAL NET EXPENDITURE	200	12	30	242	21
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
Growth into Croydon Works to deliver council wide employment services						150
						150
<u>Strategic budget - agreed additional income / savings</u>						
						-
<u>Other resource changes</u>						
Centralisation of SERCOP charges to Directorate Directorate in Growth Employment and Investment C1127Q (PL3.8)						(108)
Cumulative minor variations.						(12)
						(120)
TOTAL OTHER VARIATIONS IN RESOURCE						30

PLACE
GROWTH EMPLOYMENT AND REGNERATION
CAPITAL DELIVERY FOR HOMES AND SCHOOLS

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1114Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
366	Employees	671	13	(65)	619	(8)
-	Premises related expenditure	-	-	-	-	n/a
8	Supplies and Services	-	-	-	-	n/a
-	Third Party Payments	-	-	-	-	n/a
-	Transfer Payments	-	-	-	-	n/a
1	Transport related expenditure	-	-	-	-	n/a
9	Recharges from other services	9	-	-	9	-
384	TOTAL EXPENDITURE	680	13	(65)	628	(8)
-	Government Grants	-	-	-	-	n/a
-	Other Grants, reimbursements and contributions	-	-	-	-	n/a
-	Customer and Client Receipts	-	-	-	-	n/a
-	Interest Receivable	-	-	-	-	n/a
(345)	Recharges to other services	(641)	-	52	(589)	(8)
(345)	TOTAL INCOME	(641)	-	52	(589)	(8)
39	NET CONTROLLABLE COST	39	13	(13)	39	-
-	Capital Charges	-	-	-	-	n/a
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
80	Corporate support services bought in	80	-	(80)	-	(100)
80	TOTAL UNCONTROLLABLE COST	80	-	(80)	-	(100)
119	NET COST OF SERVICE	119	13	(93)	39	(67)
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
119	TOTAL NET EXPENDITURE	119	13	(93)	39	(67)
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
						-
<u>Strategic budget - agreed additional income / savings</u>						
						-
<u>Other resource changes</u>						
Removal of SERCOP charges moved to Growth Employment and Regeneration Directorate C1127Q (PL3.8)						(80)
Decrease in employee charges to capital program						(13)
						(93)
TOTAL OTHER VARIATIONS IN RESOURCE						(93)

PLACE
GROWTH EMPLOYMENT AND REGNERATION
REGENERATION & PARTNERSHIP

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1115Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
831	Employees	784	16	94	894	14
(2)	Premises related expenditure	-	-	-	-	n/a
44	Supplies and Services	43	-	(16)	27	(38)
-	- Third Party Payments	-	-	-	-	n/a
-	- Transfer Payments	-	-	-	-	n/a
1	Transport related expenditure	1	-	(1)	-	(100)
20	Recharges from other services	20	-	(16)	4	(80)
894	TOTAL EXPENDITURE	848	16	61	925	9
-	- Government Grants	-	-	-	-	n/a
(67)	- Other Grants, reimbursements and contributions	-	-	-	-	n/a
-	- Customer and Client Receipts	-	-	-	-	n/a
-	- Interest Receivable	-	-	-	-	n/a
(258)	- Recharges to other services	(258)	-	(153)	(411)	59
(325)	TOTAL INCOME	(258)	-	(153)	(411)	59
569	NET CONTROLLABLE COST	590	16	(92)	514	(13)
-	- Capital Charges	-	-	-	-	n/a
-	- Intangible Charges	-	-	-	-	n/a
330	REFCUS	330	-	-	330	-
110	Corporate support services bought in	110	-	(110)	-	(100)
440	TOTAL UNCONTROLLABLE COST	440	-	(110)	330	(25)
1,009	NET COST OF SERVICE	1,030	16	(202)	844	(18)
-	- Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	- Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	- Financing of Capital Expenditure	-	-	-	-	n/a
-	- Provision for Repayment of External Loans	-	-	-	-	n/a
-	- Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
1,009	TOTAL NET EXPENDITURE	1,030	16	(202)	844	(18)
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
						-
<u>Strategic budget - agreed additional income / savings</u>						
Supplies and services savings						(6)
Economic Growth Service						(67)
						(73)
<u>Other resource changes</u>						
Removal of SERCOP charges moved to Growth Employment and Regeneration Directorate C1127Q (PL3.8)						(110)
Increase in charges to capital program						(99)
Staff Increments and scale point variations						80
						(129)
TOTAL OTHER VARIATIONS IN RESOURCE						(202)

PLACE
GROWTH EMPLOYMENT AND REGNERATION
DISTRICT CENTRES & REGENERATION DIRECTORATE

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1127Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
83	Employees	158	-	-	158	-
1	Premises related expenditure	-	-	-	-	n/a
-	Supplies and Services	3	-	-	3	-
-	Third Party Payments	6	-	-	6	-
-	Transfer Payments	-	-	-	-	n/a
-	Transport related expenditure	-	-	-	-	n/a
0	Recharges from other services	-	-	26	26	n/a
84	TOTAL EXPENDITURE	167	-	26	193	16
-	Government Grants	-	-	-	-	n/a
-	Other Grants, reimbursements and contributions	-	-	-	-	n/a
-	Customer and Client Receipts	-	-	-	-	n/a
-	Interest Receivable	-	-	-	-	n/a
-	Recharges to other services	-	-	-	-	n/a
-	TOTAL INCOME	-	-	-	-	n/a
84	NET CONTROLLABLE COST	167	-	26	193	16
-	Capital Charges	-	-	-	-	n/a
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
10	Corporate support services bought in	10	-	459	469	4,590
10	TOTAL UNCONTROLLABLE COST	10	-	459	469	4,590
94	NET COST OF SERVICE	177	-	485	662	274
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
94	TOTAL NET EXPENDITURE	177	-	485	662	274
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
<u>Strategic budget - agreed additional income / savings</u>						-
<u>Other resource changes</u>						
Revised Intra-departmental charges						26
Centralisation of Growth Employment and Investment Directorate SERCOP charges from other departments						459
						485
TOTAL OTHER VARIATIONS IN RESOURCE						485

SERVICE DESCRIPTION

The Culture Division covers:

- libraries, museum and archives
- culture and the arts
- leisure centres, sports and physical activities
- parks, green spaces and allotments

Croydon's cultural offer is an important part of the borough's regeneration, we have placed culture at the heart of regeneration with the refurbishment of the Fairfield Halls, Croydon's largest cultural venue - we will continue to work with BH Live, promoters, artists and producers to ensure that Fairfield Halls delivers an exciting, varied and inclusive cultural programme.

We have an established and growing cultural calendar of events with Pride and Mela just two of the major events that take place in Croydon; our cultural calendar will continue to build over the coming years peaking in 2023 when we will be London's Borough of Culture. We are committed to building the capacity of our cultural sector partners to deliver a great offer for Croydon and to bring in national programming and producing partners to work with us in the run up to 2023.

We are firmly establishing libraries as key community venues connecting communities and providing information, cultural activities and other services and work with a wide range of partners to support Croydon's heritage.

We are in the process of re-accreditation and refresh for our Museum and Archives services set against the developing and changing role of the Croydon Clocktower as a more integrated cultural, learning and community hub. 9 exciting community led exhibitions across the themes of Place People and Identity will form part of the museum programme for 2020, the museum will also host four artists in residence and deliver late night openings.

We are committed to ensuring our parks and open spaces are sustainable and can be enjoyed by current and future generations, this includes investing in our allotments. We are working with partners to get our communities more active to improve their health and wellbeing - we are investing in sport and leisure facilities and working closely with our sporting partners on initiatives and facilities.

MOVEMENT IN NET EXPENDITURE

COST CENTRE	SERVICE	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	Other (C) £000's		
C1128Q	Active Lifestyle	808	13	2,830	3,651	352
C1238Q	Libraries	4,591	42	(569)	4,064	(11)
C1239Q	Museums and Culture	1,473	5	46	1,524	3
C1667Q	Culture Growth	229	6	767	1,002	338
TOTAL NET SPEND		7,101	66	3,074	10,241	681

STAFF ESTABLISHMENT NUMBERS

SERVICE	ORIGINAL BUDGET 2019/20 FTE STAFF	ORIGINAL BUDGET 2020/21 FTE STAFF	CHANGE IN FTE
Active Lifestyle	4.0	4.0	-
Libraries	69.4	69.4	-
Museums and Culture	7.1	7.1	-
Culture Growth	4.0	4.0	-
TOTAL FTE STAFF	84.5	84.5	-

COST CENTRE: C1114P

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
3,107	Employees	3,104	66	128	3,298	6
733	Premises related expenditure	494	-	(90)	404	(18)
2,096	Supplies and Services	2,084	-	(34)	2,050	(2)
693	Third Party Payments	693	-	1,002	1,695	145
-	Transfer Payments	-	-	-	-	n/a
2	Transport related expenditure	4	-	-	4	-
69	Recharges from other services	29	-	52	81	179
6,700	TOTAL EXPENDITURE	6,408	66	1,058	7,532	18
-	Government Grants	-	-	-	-	n/a
(1,189)	Other Grants, reimbursements and contributions	(1,318)	-	-	(1,318)	-
(221)	Customer and Client Receipts	(87)	(1)	-	(88)	1
-	Interest Receivable	-	-	-	-	n/a
(1,077)	Recharges to other services	(1,092)	-	-	(1,092)	-
(2,487)	TOTAL INCOME	(2,497)	(1)	-	(2,498)	0
4,213	NET CONTROLLABLE COST	3,911	65	1,058	5,034	29
2,490	Capital Charges	2,490	-	1,968	4,458	79
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
700	Corporate support services bought in	700	-	49	749	7
3,190	TOTAL UNCONTROLLABLE COST	3,190	-	2,017	5,207	63
7,403	NET COST OF SERVICE	7,101	65	3,075	10,241	44
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
7,403	TOTAL NET EXPENDITURE	7,101	65	3,075	10,241	44
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						-
<u>Strategic budget - agreed additional income / savings</u>						(36)
<u>Other resource changes</u>						3,111
TOTAL OTHER VARIATIONS IN RESOURCE						3,075

COST CENTRE: C1128Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
455	Employees	439	13	181	633	44
454	Premises related expenditure	141		(90)	51	(64)
65	Supplies and Services	38		(8)	30	(21)
63	Third Party Payments	63		1,004	1,067	1,594
-	Transfer Payments	-			-	n/a
1	Transport related expenditure	1			1	-
4	Recharges from other services	1		(1)	-	(100)
1,042	TOTAL EXPENDITURE	683	13	1,086	1,782	161
-	Government Grants	-			-	n/a
(279)	Other Grants, reimbursements and contributions	(403)			(403)	-
(117)	Customer and Client Receipts	(30)			(30)	-
-	Interest Receivable	-			-	n/a
(150)	Recharges to other services	(165)			(165)	-
(546)	TOTAL INCOME	(598)	-	-	(598)	-
496	NET CONTROLLABLE COST	85	13	1,086	1,184	1,293
665	Capital Charges	665		1,802	2,467	271
-	Intangible Charges	-			-	n/a
-	REFCUS	-			-	n/a
58	Corporate support services bought in	58		(58)	-	(100)
723	TOTAL UNCONTROLLABLE COST	723	-	1,744	2,467	241
1,219	NET COST OF SERVICE	808	13	2,830	3,651	352
-	Contributions to / (from) Earmarked Reserves	-			-	n/a
-	Contributions to / (from) Capital Reserves:	-			-	n/a
-	Financing of Capital Expenditure	-			-	n/a
-	Provision for Repayment of External Loans	-			-	n/a
-	Contribution to / (from) General Balances	-			-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
1,219	TOTAL NET EXPENDITURE	808	13	2,830	3,651	352
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
						-
<u>Strategic budget - agreed additional income / savings</u>						
Supplies and services savings						(8)
						(8)
<u>Other resource changes</u>						
Transfer of Leisure Contract from Waste C1104Q (PL 2.5)						1,004
Transfer of Leisure Contract support staff from Waste C1104Q (PL 2.5)						181
Transfer to Waste C1104Q (PL 2.5) of Park Inspections budget						(103)
Revised capital charges						1,802
Removal of SERCOP recharges centralised to Culture Growth C1667Q (PL4.6)						(58)
Cumulative minor variations						12
						2,838
TOTAL OTHER VARIATIONS IN RESOURCE						2,830

COST CENTRE: C1238Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
2,108	Employees	2,117	42	(42)	2,117	-
279	Premises related expenditure	353			353	-
838	Supplies and Services	841		(24)	817	(3)
40	Third Party Payments	40			40	-
-	Transfer Payments	-			-	n/a
1	Transport related expenditure	3			3	-
60	Recharges from other services	28			28	-
3,326	TOTAL EXPENDITURE	3,382	42	(66)	3,358	(1)
-	Government Grants	-			-	n/a
-	Other Grants, reimbursements and contributions	-			-	n/a
(93)	Customer and Client Receipts	(50)	(1)		(51)	2
-	Interest Receivable	-			-	n/a
-	Recharges to other services	-			-	n/a
(93)	TOTAL INCOME	(50)	(1)	-	(51)	2
3,233	NET CONTROLLABLE COST	3,332	41	(66)	3,307	(1)
716	Capital Charges	716		41	757	6
-	Intangible Charges	-			-	n/a
-	REFCUS	-			-	n/a
543	Corporate support services bought in	543		(543)	-	(100)
1,259	TOTAL UNCONTROLLABLE COST	1,259	-	(502)	757	(40)
4,492	NET COST OF SERVICE	4,591	41	(568)	4,064	(11)
-	Contributions to / (from) Earmarked Reserves	-			-	n/a
-	Contributions to / (from) Capital Reserves:	-			-	n/a
-	Financing of Capital Expenditure	-			-	n/a
-	Provision for Repayment of External Loans	-			-	n/a
-	Contribution to / (from) General Balances	-			-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
4,492	TOTAL NET EXPENDITURE	4,591	41	(568)	4,064	(11)
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
						-
<u>Strategic budget - agreed additional income / savings</u>						
Supplies and services savings						(24)
						(24)
<u>Other resource changes</u>						
Staff increments and scale point variations.						(42)
Revised capital recharges						41
Removal of SERCOP recharges centralised to Culture Growth C1667Q (PL4.6)						(543)
						(544)
TOTAL OTHER VARIATIONS IN RESOURCE						(568)

COST CENTRE: C1239Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
264	Employees	263	5	(5)	263	-
-	Premises related expenditure	-			-	n/a
29	Supplies and Services	41		(2)	39	(5)
-	Third Party Payments	-			-	n/a
-	Transfer Payments	-			-	n/a
-	Transport related expenditure	-			-	n/a
4	Recharges from other services	-			-	n/a
297	TOTAL EXPENDITURE	304	5	(7)	302	(1)
-	Government Grants	-			-	n/a
-	Other Grants, reimbursements and contributions	(5)			(5)	-
(11)	Customer and Client Receipts	(7)			(7)	-
-	Interest Receivable	-			-	n/a
-	Recharges to other services	-			-	n/a
(11)	TOTAL INCOME	(12)	-	-	(12)	-
286	NET CONTROLLABLE COST	292	5	(7)	290	(1)
1,109	Capital Charges	1,109		125	1,234	11
-	Intangible Charges	-			-	n/a
-	REFCUS	-			-	n/a
72	Corporate support services bought in	72		(72)	-	(100)
1,181	TOTAL UNCONTROLLABLE COST	1,181	-	53	1,234	4
1,467	NET COST OF SERVICE	1,473	5	46	1,524	3
-	Contributions to / (from) Earmarked Reserves	-			-	n/a
-	Contributions to / (from) Capital Reserves:	-			-	n/a
-	Financing of Capital Expenditure	-			-	n/a
-	Provision for Repayment of External Loans	-			-	n/a
-	Contribution to / (from) General Balances	-			-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
1,467	TOTAL NET EXPENDITURE	1,473	5	46	1,524	3
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
						-
<u>Strategic budget - agreed additional income / savings</u>						
Supplies and services savings						(2)
						(2)
<u>Other resource changes</u>						
Staff increments and scale point variations.						(5)
Revised capital recharges						125
Removal of SERCOP recharges centralised to Culture Growth C1667Q (PL4.6)						(72)
						48
TOTAL OTHER VARIATIONS IN RESOURCE						46

COST CENTRE: C1667Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
280	Employees	285	6	(6)	285	-
-	Premises related expenditure	-	-	-	-	n/a
1,164	Supplies and Services	1,164	-	-	1,164	-
590	Third Party Payments	590	-	(2)	588	(0)
-	Transfer Payments	-	-	-	-	n/a
-	Transport related expenditure	-	-	-	-	n/a
1	Recharges from other services	-	-	53	53	n/a
2,035	TOTAL EXPENDITURE	2,039	6	45	2,090	3
-	Government Grants	-	-	-	-	n/a
(910)	Other Grants, reimbursements and contributions	(910)	-	-	(910)	-
-	Customer and Client Receipts	-	-	-	-	n/a
-	Interest Receivable	-	-	-	-	n/a
(927)	Recharges to other services	(927)	-	-	(927)	-
(1,837)	TOTAL INCOME	(1,837)	-	-	(1,837)	-
198	NET CONTROLLABLE COST	202	6	45	253	25
-	Capital Charges	-	-	-	-	n/a
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
27	Corporate support services bought in	27	-	722	749	2,674
27	TOTAL UNCONTROLLABLE COST	27	-	722	749	2,674
225	NET COST OF SERVICE	229	6	767	1,002	338
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
225	TOTAL NET EXPENDITURE	229	6	767	1,002	338
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
						-
<u>Strategic budget - agreed additional income / savings</u>						
Supplies and services savings						(2)
						(2)
<u>Other resource changes</u>						
Staff increments and scale point variations.						(6)
SERCOP recharges centralised to Culture growth from other departments.						722
Cumulative minor variations						53
						769
TOTAL OTHER VARIATIONS IN RESOURCE						767

SERVICE DESCRIPTION

The Growth Zone programme management team are responsible for the design, development and delivery of the Growth Zone programme.

In 2020/21 the programme will focus on feasibility and design of transport and public realm schemes, managing construction related traffic, developing smart city projects, implementing meanwhile and culture projects as part of the agreed programme approved by Cabinet in October 2018.

MOVEMENT IN NET EXPENDITURE

COST CENTRE	SERVICE	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	Other (C) £000's		
C1668Q	Croydon Growth Zone	27,060	8	(27,058)	10	(100)
	TOTAL NET SPEND	27,060	8	(27,058)	10	(100)

STAFF ESTABLISHMENT NUMBERS

SERVICE	ORIGINAL BUDGET 2019/20 FTE STAFF	ORIGINAL BUDGET 2020/21 FTE STAFF	CHANGE IN FTE
Croydon Growth Zone	6.0	9.2	3.2
TOTAL FTE STAFF	6.0	9.2	3.2

COST CENTRE: C1116P

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
511	Employees	401	8	248	657	64
-	Premises related expenditure	-	-	-	-	n/a
7	Supplies and Services	-	-	-	-	n/a
-	Third Party Payments	-	-	-	-	n/a
-	Transfer Payments	-	-	-	-	n/a
-	Transport related expenditure	-	-	-	-	n/a
0	Recharges from other services	-	-	-	-	n/a
519	TOTAL EXPENDITURE	401	8	248	657	64
-	Government Grants	-	-	-	-	n/a
-	Other Grants, reimbursements and contributions	-	-	-	-	n/a
-	Customer and Client Receipts	-	-	-	-	n/a
-	Interest Receivable	-	-	-	-	n/a
(509)	Recharges to other services	(391)	-	(256)	(647)	65
(509)	TOTAL INCOME	(391)	-	(256)	(647)	65
10	NET CONTROLLABLE COST	10	8	(8)	10	-
-	Capital Charges	-	-	-	-	n/a
-	Intangible Charges	-	-	-	-	n/a
27,000	REFCUS	27,000	-	(27,000)	-	(100)
50	Corporate support services bought in	50	-	(50)	-	(100)
27,050	TOTAL UNCONTROLLABLE COST	27,050	-	(27,050)	-	(100)
27,060	NET COST OF SERVICE	27,060	8	(27,058)	10	(100)
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
27,060	TOTAL NET EXPENDITURE	27,060	8	(27,058)	10	(100)
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						-
<u>Strategic budget - agreed additional income / savings</u>						-
<u>Other resource changes</u>						(27,058)
TOTAL OTHER VARIATIONS IN RESOURCE						-

SERVICE DESCRIPTION

The Planning & Strategic Transport Division comprises Building Control, Development Management, Spatial Planning and Transport.

Building Control is a statutory service to regulate the built environment for the protection of the public through the implementation and enforcement of Building Regulations and other legislation. The service aims to promote an accessible, healthy, safe and sustainable built environment within Croydon through provision of a customer focused service that offers value for money, and that is efficient, effective, and equitable.

Development management processes applications for planning permission relating to all development types from householder extensions to large commercial or housing developments. A range of pre-application enquiry processes are also available to assist applicants. The service responds to appeals to the Planning Inspectorate against decisions to refuse planning permission or in relation to a condition on a planning permission and also investigates, and remedies where necessary, allegations about breaches of planning control.

The Spatial Planning Service provides the functions of place making and plan making, which combined provide the council's spatial planning strategy over twenty years. Plan Making primarily carry out the analysis and interpretation of evidence to support the preparation of Croydon's Local Plan principally through the Strategic Policies, site allocations, designations and detailed development management policies. Plan Making are also responsible for the Council's Infrastructure Delivery Plan (IDP) Community Infrastructure Levy (Charging Schedule and collection and assignment), Section 106 collection and assignment, providing observations on developments to Development Management and the Council's planning research and monitoring function. Place making provides qualitative inputs into the plan making processes regarding design and local distinctiveness. Undertake site appraisals, briefs, feasibility studies and area based master plans. Provide design observations on developments to Development Management. Place making are responsible for the Council's statutory obligations regarding conservation and heritage, as well as providing advice and supporting projects in this field. Place making also undertake a number of income generation commission, particularly related to the design of public realm.

The Strategic Transport Service is responsible for developing transport policy and translating local priorities and regional policies into delivery plans and programmes. The Service is also delivering much of the Growth Zone Transport Infrastructure e.g. leading on the renewal/redevelopment of West Croydon Station; working with Network Rail to upgrade the Brighton Mainline and provide a new and bigger East Croydon Station; working with TfL to improve the Fiveways intersection of the A23/A232; and delivering a network of cycling and walking routes. The Service also: develops the Plan to implement the Mayor's Transport Strategy within Croydon (The Local Implementation Plan (LIP)); provides transport advice to the planning authority on development plan and master plan making and advises the Development Management Service and Planning Committee(s) on the transport implications of development proposals; bids for funds through the LIP drawing funding from TfL, CIL, S106 and the Capital Programme to improve transport and infrastructure in Croydon; and runs a programme to deliver electric vehicle charging points and encourage the take-up of electric vehicles.

MOVEMENT IN NET EXPENDITURE

COST CENTRE	SERVICE	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	Other (C) £000's		
C1108Q	Building Control	228	23	(278)	(27)	(112)
C1109Q	Development Management	458	30	390	878	92
C1110Q	Spatial Planning	838	19	(198)	659	(21)
C1111Q	Transport	346	13	(101)	258	(25)
TOTAL NET SPEND		1,870	85	(187)	1,768	(5)

STAFF ESTABLISHMENT NUMBERS

SERVICE	ORIGINAL BUDGET 2019/20 FTE STAFF	ORIGINAL BUDGET 2020/21 FTE STAFF	CHANGE IN FTE STAFF
Building Control	22.0	22.0	-
Development Management	53.0	59.0	6.0
Spatial Planning	20.8	26.0	5.2
Transport	10.5	10.1	(0.4)
TOTAL FTE STAFF	106.3	117.1	10.8

COST CENTRE: C1120P

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
5,634	Employees	5,461	109	627	6,197	13
0	Premises related expenditure	-	-	-	-	n/a
1,259	Supplies and Services	443	-	(95)	348	(21)
-	Third Party Payments	-	-	-	-	n/a
-	Transfer Payments	-	-	-	-	n/a
5	Transport related expenditure	10	-	(1)	9	(10)
2,189	Recharges from other services	1,771	-	(52)	1,719	(3)
9,087	TOTAL EXPENDITURE	7,685	109	480	8,274	8
-	Government Grants	-	-	-	-	n/a
(1,093)	Other Grants, reimbursements and contributions	-	-	(50)	(50)	n/a
(5,629)	Customer and Client Receipts	(4,783)	(24)	(475)	(5,282)	10
-	Interest Receivable	-	-	-	-	n/a
(1,969)	Recharges to other services	(1,930)	-	(136)	(2,066)	7
(8,691)	TOTAL INCOME	(6,713)	(24)	(661)	(7,398)	10
396	NET CONTROLLABLE COST	972	85	(181)	876	(10)
9	Capital Charges	9	-	(3)	6	(33)
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
889	Corporate support services bought in	889	-	(3)	887	(0)
898	TOTAL UNCONTROLLABLE COST	898	-	(6)	893	(1)
1,294	NET COST OF SERVICE	1,870	85	(187)	1,769	(5)
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
1,294	TOTAL NET EXPENDITURE	1,870	85	(187)	1,769	(5)
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						
<u>Strategic budget - agreed pressures / service demands</u>						£000's
						-
<u>Strategic budget - agreed additional income / savings</u>						(108)
<u>Other resource changes</u>						(79)
TOTAL OTHER VARIATIONS IN RESOURCE						(187)

COST CENTRE: C1108Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
764	Employees	1,131	23	87	1,241	10
-	Premises related expenditure	-	-	-	-	n/a
86	Supplies and Services	82	-	-	82	-
-	Third Party Payments	-	-	-	-	n/a
-	Transfer Payments	-	-	-	-	n/a
0	Transport related expenditure	2	-	-	2	-
1,224	Recharges from other services	1,139	-	-	1,139	-
2,074	TOTAL EXPENDITURE	2,354	23	87	2,464	5
-	Government Grants	-	-	-	-	n/a
(0)	Other Grants, reimbursements and contributions	-	-	-	-	n/a
(907)	Customer and Client Receipts	(1,166)	-	(192)	(1,358)	17
-	Interest Receivable	-	-	-	-	n/a
(1,133)	Recharges to other services	(1,133)	-	-	(1,133)	-
(2,040)	TOTAL INCOME	(2,299)	-	(192)	(2,491)	8
34	NET CONTROLLABLE COST	55	23	(105)	(27)	(149)
-	Capital Charges	-	-	-	-	n/a
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
173	Corporate support services bought in	173	-	(173)	-	(100)
173	TOTAL UNCONTROLLABLE COST	173	-	(173)	-	(100)
207	NET COST OF SERVICE	228	23	(278)	(27)	(112)
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
207	TOTAL NET EXPENDITURE	228	23	(278)	(27)	(112)
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
<u>Strategic budget - agreed additional income / savings</u>						
Increase fee income by 20% on selected building control fees						(100)
<u>Other resource changes</u>						
Removal of SERCOP charges moved to directorate in Development Management C1109Q (PL6.4)						(173)
Cumulative minor variations.						(5)
						(178)
TOTAL OTHER VARIATIONS IN RESOURCE						(278)

COST CENTRE: C1109Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
3,044	Employees	2,674	53	416	3,143	18
-	Premises related expenditure	-	-	-	-	n/a
189	Supplies and Services	275	-	(86)	189	(31)
-	Third Party Payments	-	-	-	-	n/a
-	Transfer Payments	-	-	-	-	n/a
4	Transport related expenditure	7	-	-	7	-
666	Recharges from other services	607	-	(33)	574	(5)
3,903	TOTAL EXPENDITURE	3,563	53	297	3,913	10
-	Government Grants	-	-	-	-	n/a
55	Other Grants, reimbursements and contributions	-	-	(50)	(50)	n/a
(4,511)	Customer and Client Receipts	(3,566)	(23)	(283)	(3,872)	9
-	Interest Receivable	-	-	-	-	n/a
-	Recharges to other services	-	-	-	-	n/a
(4,456)	TOTAL INCOME	(3,566)	(23)	(333)	(3,922)	10
(554)	NET CONTROLLABLE COST	(3)	30	(36)	(9)	200
-	Capital Charges	-	-	-	-	n/a
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
461	Corporate support services bought in	461	-	426	887	92
461	TOTAL UNCONTROLLABLE COST	461	-	426	887	92
(93)	NET COST OF SERVICE	458	30	390	878	92
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
(93)	TOTAL NET EXPENDITURE	458	30	390	878	92
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
Strategic budget - agreed pressures / service demands						
Strategic budget - agreed additional income / savings						-
Other resource changes						
Planning SERCOP charges increased as a result of centralisation to directorate from other departments.						426
Other Grants, reimbursements and contributions						(50)
Increase in planning fees income						(283)
Revised Intra-departmental charges.						42
Staff Increments and scale point variations.						255
						390
TOTAL OTHER VARIATIONS IN RESOURCE						390

COST CENTRE: C1110Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
1,150	Employees	1,003	20	177	1,200	20
-	Premises related expenditure	-	-	-	-	n/a
934	Supplies and Services	60	-	(48)	12	(80)
-	Third Party Payments	-	-	-	-	n/a
-	Transfer Payments	-	-	-	-	n/a
0	Transport related expenditure	-	-	-	-	n/a
267	Recharges from other services	19	-	(19)	-	(100)
2,351	TOTAL EXPENDITURE	1,082	20	110	1,212	12
-	Government Grants	-	-	-	-	n/a
(1,148)	Other Grants, reimbursements and contributions	-	-	-	-	n/a
(211)	Customer and Client Receipts	(51)	(1)	-	(52)	2
-	Interest Receivable	-	-	-	-	n/a
(332)	Recharges to other services	(371)	-	(136)	(507)	37
(1,691)	TOTAL INCOME	(422)	(1)	(136)	(559)	32
660	NET CONTROLLABLE COST	660	19	(26)	653	(1)
6	Capital Charges	6	-	-	6	-
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
172	Corporate support services bought in	172	-	(172)	-	(100)
178	TOTAL UNCONTROLLABLE COST	178	-	(172)	6	(97)
838	NET COST OF SERVICE	838	19	(198)	659	(21)
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
838	TOTAL NET EXPENDITURE	838	19	(198)	659	(21)
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
<u>Strategic budget - agreed additional income / savings</u>						
Supplies and services savings						(6)
<u>Other resource changes</u>						(6)
Removal of SERCOP charges moved to directorate in Development Management C1109Q (PL6.4)						(172)
Increase in charges to capital program						(136)
Revised Intra-departmental charges.						(19)
Staff Increments and scale point variations.						135
						(192)
TOTAL OTHER VARIATIONS IN RESOURCE						(198)

COST CENTRE: C1111Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
676	Employees	653	13	(53)	613	(6)
0	Premises related expenditure	-	-	-	-	n/a
50	Supplies and Services	26	-	39	65	151
-	- Third Party Payments	-	-	-	-	n/a
-	- Transfer Payments	-	-	-	-	n/a
0	Transport related expenditure	1	-	(1)	-	(100)
32	Recharges from other services	6	-	-	6	-
759	TOTAL EXPENDITURE	686	13	(15)	684	(0)
-	- Government Grants	-	-	-	-	n/a
-	- Other Grants, reimbursements and contributions	-	-	-	-	n/a
-	- Customer and Client Receipts	-	-	-	-	n/a
-	- Interest Receivable	-	-	-	-	n/a
(503)	Recharges to other services	(426)	-	-	(426)	-
(503)	TOTAL INCOME	(426)	-	-	(426)	-
255	NET CONTROLLABLE COST	260	13	(15)	258	(1)
3	Capital Charges	3	-	(3)	-	(100)
-	- Intangible Charges	-	-	-	-	n/a
-	- REFCUS	-	-	-	-	n/a
83	Corporate support services bought in	83	-	(83)	-	(100)
86	TOTAL UNCONTROLLABLE COST	86	-	(86)	-	(100)
341	NET COST OF SERVICE	346	13	(101)	258	(25)
-	- Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	- Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	- Financing of Capital Expenditure	-	-	-	-	n/a
-	- Provision for Repayment of External Loans	-	-	-	-	n/a
-	- Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
341	TOTAL NET EXPENDITURE	346	13	(101)	258	(25)
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						-
<u>Strategic budget - agreed additional income / savings</u>						(2)
Supplies and services savings						(2)
<u>Other resource changes</u>						(83)
Removal of SERCOP charges from previous Directorate.						(16)
Scale point variations.						(99)
TOTAL OTHER VARIATIONS IN RESOURCE						(101)

SERVICE DESCRIPTION

This is a new division transferred from Resources Department.

Divisional Overview of Services
The division is made up the service areas as below;

Facilities Management
Managing an integrated Facilities Management service combining a professional in-house team and specialist partnering FM contractors for the corporate estate including corporate responsibility for Health & Safety consultant services and management of energy and utilities.

Asset Management and Estates
An in house professional Estates and Asset management service to provide commercial property advice to the wider Council and is responsible for the asset and accommodation strategy, ensuring that all corporate assets are utilised effectively, fit for purpose and to maximise income and investment opportunities.

MOVEMENT IN NET EXPENDITURE

COST CENTRE	SERVICE	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	Other (C) £000's		
C1600Q	Facilities Management	11,391	60	(5,186)	6,265	(45)
C1610Q	Asset Management and Estates	(695)	9	(8,443)	(9,129)	1,214
TOTAL NET SPEND		10,696	69	(13,629)	(2,864)	(127)

STAFF ESTABLISHMENT NUMBERS

SERVICE	ORIGINAL BUDGET 2019/20 FTE STAFF	ORIGINAL BUDGET 2020/21 FTE STAFF	CHANGE IN FTE STAFF
Facilities Management	76.4	83.0	6.6
Asset Management and Estates	7.0	6.0	(1.0)
TOTAL FTE STAFF	83.4	89.0	5.6

**PLACE
HOMES AND SOCIAL INVESTMENT**

DIVISION SUBJECTIVE SUMMARY

COST CENTRE: C1150P

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
3,387	Employees	3,118	71	276	3,465	11
11,522	Premises related expenditure	12,091	-	137	12,228	1
1,098	Supplies and Services	1,051	-	392	1,443	37
30	Third Party Payments	30	-	-	30	-
-	Transfer Payments	-	-	-	-	n/a
273	Transport related expenditure	273	-	-	273	-
2,296	Recharges from other services	2,575	-	1	2,576	0
18,606	TOTAL EXPENDITURE	19,138	71	805	20,014	5
-	Government Grants	-	-	-	-	n/a
(39)	Other Grants, reimbursements and contributions	-	-	-	-	n/a
(8,672)	Customer and Client Receipts	(9,711)	(2)	(4,739)	(14,452)	49
-	Interest Receivable	-	-	-	-	n/a
(2,669)	Recharges to other services	(2,278)	-	(437)	(2,715)	19
(11,380)	TOTAL INCOME	(11,989)	(2)	(5,176)	(17,167)	43
7,226	NET CONTROLLABLE COST	7,149	69	(4,371)	2,847	(60)
3,140	Capital Charges	3,140	-	160	3,300	5
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
407	Corporate support services bought in	407	-	(9,418)	(9,011)	(2,314)
3,547	TOTAL UNCONTROLLABLE COST	3,547	-	(9,258)	(5,711)	(261)
10,773	NET COST OF SERVICE	10,696	69	(13,629)	(2,864)	(127)
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
10,773	TOTAL NET EXPENDITURE	10,696	69	(13,629)	(2,864)	(127)
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
Strategic budget - agreed pressures / service demands						250
Strategic budget - agreed additional income / savings						(4,844)
Other resource changes						(9,035)
TOTAL OTHER VARIATIONS IN RESOURCE						(13,629)

**PLACE
HOMES AND SOCIAL INVESTMENT
FACILITIES MANAGEMENT**

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1600Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
2,991	Employees	2,673	62	285	3,020	13
7,610	Premises related expenditure	7,315	-	137	7,452	2
820	Supplies and Services	790	-	250	1,040	32
0	Third Party Payments	-	-	-	-	n/a
-	Transfer Payments	-	-	-	-	n/a
273	Transport related expenditure	273	-	-	273	-
143	Recharges from other services	131	-	-	131	-
11,837	TOTAL EXPENDITURE	11,182	62	672	11,916	7
-	Government Grants	-	-	-	-	n/a
-	Other Grants, reimbursements and contributions	-	-	-	-	n/a
(12)	Customer and Client Receipts	(128)	(2)	33	(97)	(24)
-	Interest Receivable	-	-	-	-	n/a
(2,624)	Recharges to other services	(2,233)	-	(437)	(2,670)	20
(2,636)	TOTAL INCOME	(2,361)	(2)	(404)	(2,767)	17
9,201	NET CONTROLLABLE COST	8,821	60	268	9,149	4
2,570	Capital Charges	2,570	-	(89)	2,481	(3)
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
-	Corporate support services bought in	-	-	(5,365)	(5,365)	n/a
2,570	TOTAL UNCONTROLLABLE COST	2,570	-	(5,454)	(2,884)	(212)
11,771	NET COST OF SERVICE	11,391	60	(5,186)	6,265	(45)
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
11,771	TOTAL NET EXPENDITURE	11,391	60	(5,186)	6,265	(45)
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
Sustainability						250
						250
<u>Strategic budget - agreed additional income / savings</u>						
Staff Savings as a result of a review of the Property & Facility function (non permanent saving)						(100)
A range of reductions to cleaning, reactive repairs, and staff training across Facilities & Support Services						(95)
Effective Corporate Centre						(19)
						(214)
<u>Other resource changes</u>						
Transfer of Recharge Income to Business Support (see Resources RED 1.3)						107
Transfer of Budget from Customer Services Directorate (see Resources RED 1.4)						152
Cumulative minor variations						(27)
Revised Capital Charges						(89)
Revised SERCOP Charges						(5,365)
						(5,222)
TOTAL OTHER VARIATIONS IN RESOURCE						(5,186)

COST CENTRE: C1610Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
396	Employees	445	9	(9)	445	-
3,912	Premises related expenditure	4,776	-	(0)	4,776	(0)
278	Supplies and Services	261	-	142	403	54
30	Third Party Payments	30	-	-	30	-
-	Transfer Payments	-	-	-	-	n/a
0	Transport related expenditure	-	-	-	-	n/a
2,153	Recharges from other services	2,444	-	1	2,445	0
6,768	TOTAL EXPENDITURE	7,956	9	133	8,098	2
-	Government Grants	-	-	-	-	n/a
(39)	Other Grants, reimbursements and contributions	-	-	-	-	n/a
(8,660)	Customer and Client Receipts	(9,583)	-	(4,772)	(14,355)	50
-	Interest Receivable	-	-	-	-	n/a
(45)	Recharges to other services	(45)	-	-	(45)	-
(8,744)	TOTAL INCOME	(9,628)	-	(4,772)	(14,400)	50
(1,976)	NET CONTROLLABLE COST	(1,672)	9	(4,639)	(6,302)	277
570	Capital Charges	570	-	249	819	44
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
407	Corporate support services bought in	407	-	(4,053)	(100)	(100)
977	TOTAL UNCONTROLLABLE COST	977	-	(3,804)	819	(16)
(999)	NET COST OF SERVICE	(695)	9	(8,443)	(5,483)	689
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
(999)	TOTAL NET EXPENDITURE	(695)	9	(8,443)	(5,483)	689
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						-
<u>Strategic budget - agreed additional income / savings</u>						(4,000)
Additional Investment Property Income						(630)
Effective Corporate Centre						(4,630)
<u>Other resource changes</u>						(9)
Cumulative minor variations						249
Revised Capital Charges						(4,053)
Revised SERCOP Charges						(3,813)
TOTAL OTHER VARIATIONS IN RESOURCE						(8,443)

SERVICE DESCRIPTION

This is a new division transferred from Public Realm

The Violence Reduction Network (VRN) was created at the beginning of October 2019 in encompasses a range of operational services as well as policy and analytics capacity to be able to look strategically at the causes of violence in the borough and develop interventions that prevent violence. The use of data on a population basis is what's commonly called a public health approach to reducing violence. The operational services are Anti-social Behaviour, Prevent, Domestic Abuse, and CCTV there is then a small VRN team, which provides strategic policy support to help respond to violence and reduce it in the borough. They also provide practical support on some operational issues and co-ordinate governance of the work. In addition there is a performance and intelligence team which will provide the analytic underpinnings of our approach to reducing violence.

The VRN approach recognises that reducing violence is a whole borough responsibility. The council can play a leading role, but core to the approach will be bringing a range of partner together to develop and test ideas to reduce violence. Partners including other statutory partners like health, the police and schools, as well as businesses, community organisations and individuals in the borough.

MOVEMENT IN NET EXPENDITURE

COST CENTRE	SERVICE	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	Other (C) £000's		
C1129Q	Violence Reduction Management	-	6	438	444	n/a
C1122Q	Partnership and Intelligence Support	-	42	1,920	1,962	n/a
	TOTAL NET SPEND	-	48	2,358	2,406	n/a

STAFF ESTABLISHMENT NUMBERS

SERVICE	ORIGINAL BUDGET 2019/20 FTE STAFF	ORIGINAL BUDGET 2020/21 FTE STAFF	CHANGE IN FTE STAFF
Violence Reduction Network Management	-	4.0	4.0
Partnership and Intelligence Support	-	81.7	81.7
TOTAL FTE STAFF	-	85.7	85.7

COST CENTRE: C1130P

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
-	Employees	-	50	2,491	2,541	n/a
-	Premises related expenditure	-	-	8	8	n/a
-	Supplies and Services	-	-	450	450	n/a
-	Third Party Payments	-	-	240	240	n/a
-	Transfer Payments	-	-	-	-	n/a
-	Transport related expenditure	-	-	-	-	n/a
-	Recharges from other services	-	-	215	215	n/a
-	TOTAL EXPENDITURE	-	50	3,404	3,454	n/a
-	Government Grants	-	-	(100)	(100)	n/a
-	Other Grants, reimbursements and contributions	-	-	(20)	(20)	n/a
-	Customer and Client Receipts	-	(2)	(96)	(98)	n/a
-	Interest Receivable	-	-	-	-	n/a
-	Recharges to other services	-	-	(1,440)	(1,440)	n/a
-	TOTAL INCOME	-	(2)	(1,656)	(1,658)	n/a
-	NET CONTROLLABLE COST	-	48	1,748	1,796	n/a
-	Capital Charges	-	-	-	-	n/a
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
-	Corporate support services bought in	-	-	610	610	n/a
-	TOTAL UNCONTROLLABLE COST	-	-	610	610	n/a
-	NET COST OF SERVICE	-	48	2,358	2,406	n/a
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
-	TOTAL NET EXPENDITURE	-	48	2,358	2,406	n/a
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						-
<u>Strategic budget - agreed additional income / savings</u>						-
<u>Other resource changes</u>						2,358
TOTAL OTHER VARIATIONS IN RESOURCE						2,358

PLACE
VIOLENCE REDUCTION NETWORK
VIOLENCE REDUCTION NETWORK MANAGEMENT

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1129Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
-	Employees	-	6	310	316	n/a
-	Premises related expenditure	-	-	-	-	n/a
-	Supplies and Services	-	-	4	4	n/a
-	Third Party Payments	-	-	-	-	n/a
-	Transfer Payments	-	-	-	-	n/a
-	Transport related expenditure	-	-	-	-	n/a
-	Recharges from other services	-	-	62	62	n/a
-	TOTAL EXPENDITURE	-	6	376	382	n/a
-	Government Grants	-	-	-	-	n/a
-	Other Grants, reimbursements and contributions	-	-	-	-	n/a
-	Customer and Client Receipts	-	-	-	-	n/a
-	Interest Receivable	-	-	-	-	n/a
-	Recharges to other services	-	-	(548)	(548)	n/a
-	TOTAL INCOME	-	-	(548)	(548)	n/a
-	NET CONTROLLABLE COST	-	6	(172)	(166)	n/a
-	Capital Charges	-	-	-	-	n/a
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
-	Corporate support services bought in	-	-	610	610	n/a
-	TOTAL UNCONTROLLABLE COST	-	-	610	610	n/a
-	NET COST OF SERVICE	-	6	438	444	n/a
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
-	TOTAL NET EXPENDITURE	-	6	438	444	n/a
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
						-
<u>Strategic budget - agreed additional income / savings</u>						
						-
<u>Other resource changes</u>						
Transfer of Community Safety Management C1129Q (PL2.11) to Violence Reduction Network (Divisional Reorganisation)						229
Transfer and variations of SERCOP charges to Violence Reduction Network Management (centralisation of SERCOP).						151
Cumulative minor variations.						58
						438
TOTAL OTHER VARIATIONS IN RESOURCE						438

PLACE
VIOLENCE REDUCTION NETWORK
PARTNERSHIP AND INTELLIGENCE SUPPORT

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1122Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
-	Employees	-	44	2,181	2,225	n/a
-	Premises related expenditure	-	-	8	8	n/a
-	Supplies and Services	-	-	446	446	n/a
-	Third Party Payments	-	-	240	240	n/a
-	Transfer Payments	-	-	-	-	n/a
-	Transport related expenditure	-	-	-	-	n/a
-	Recharges from other services	-	-	153	153	n/a
-	TOTAL EXPENDITURE	-	44	3,028	3,072	n/a
-	Government Grants	-	-	(100)	(100)	n/a
-	Other Grants, reimbursements and contributions	-	-	(20)	(20)	n/a
-	Customer and Client Receipts	-	(2)	(96)	(98)	n/a
-	Interest Receivable	-	-	-	-	n/a
-	Recharges to other services	-	-	(892)	(892)	n/a
-	TOTAL INCOME	-	(2)	(1,108)	(1,110)	n/a
-	NET CONTROLLABLE COST	-	42	1,920	1,962	n/a
-	Capital Charges	-	-	-	-	n/a
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
-	Corporate support services bought in	-	-	-	-	n/a
-	TOTAL UNCONTROLLABLE COST	-	-	-	-	n/a
-	NET COST OF SERVICE	-	42	1,920	1,962	n/a
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
-	TOTAL NET EXPENDITURE	-	42	1,920	1,962	n/a
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
						-
<u>Strategic budget - agreed additional income / savings</u>						
						-
<u>Other resource changes</u>						
Transfer of Partnership and Intelligence Support C1122Q (PL2.8) to Violence Reduction Network (Divisional Reorganisation)						2,496
Transfer of Anti Social Behaviour Team within C1121Q (PL2.7) to Violence Reduction Network (Divisional Reorganisation)						229
Transfer and variations of SERCOP charges to Violence Reduction Network Management(centralisation of SERCOP).						(699)
Reduction in Public Health Funding						(100)
Cumulative minor variations.						(6)
						1,920
TOTAL OTHER VARIATIONS IN RESOURCE						1,920

RESOURCES

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RESOURCES

DEPARTMENT OVERVIEW

KEY SERVICE TARGETS / PRIORITIES FOR 2020/21

The Resources Department is an integral part of Croydon Council and supports the full spectrum of service activity across the council. In particular, the Resources department plays a key role in providing enabling services to the rest of the council and ensuring we deliver Value for Money services. The key priorities for 2020/21 are;

- Deliver and monitor the Medium Term Financial Strategy (MTFS)
- Lead on the implementation of the new Workforce Strategy
- Continue to enhance the digital performance for Croydon
- Lead on the review of the Resources function, and how it can best support the Council
- Ensure we have excellent performance management arrangements in place for the delivery of our corporate plan
- Set up and embed a corporate programme office

FINANCIAL PERFORMANCE

COST CENTRE: C1600N

DESCRIPTION	ACTUAL 2018/19 £000	ORIGINAL 2019/20 £000	FORECAST 2019/20 £000	BUDGET 2020/21 £000	% CHANGE %
Employees	79,165	40,586	36,506	44,451	10
Premises related expenditure	46,525	213	477	183	(14)
Supplies and Services	39,548	9,948	22,829	13,876	39
Third Party Payments	9,771	23,015	18,414	21,746	(6)
Transfer Payments	176,691	180,162	177,977	180,040	(0)
Transport related expenditure	68	50	241	50	-
Capital Charges	3,053	4,683	1,103	2,963	(37)
Intangible Charges	-	-	3,580	-	n/a
REFCUS	-	576	576	576	-
Corporate support services bought in	3,130	(45,546)	(45,546)	(27,760)	(39)
Recharges from other services	2,534	73	1,787	59	(19)
TOTAL EXPENDITURE	360,485	213,760	217,944	236,184	8
Government Grants	(175,920)	(183,260)	(183,299)	(183,260)	-
Other Grants, reimbursements and contributions	(8,610)	(6,202)	(3,815)	(6,419)	3
Customer and Client Receipts	(23,207)	(6,594)	(5,751)	(4,881)	(26)
Interest Receivable	-	(28)	-	(28)	-
Recharges to other services	(98,266)	(20,852)	(28,832)	(28,300)	36
TOTAL INCOME	(306,003)	(216,936)	(221,697)	(222,888)	1

NET EXPENDITURE	54,482	(3,176)	(3,753)	13,296	(454)
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Contributions to / (from) Reserves	-	-	173	-	(100)
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CURRENT BUDGET	53,313		(3,580)		
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TOTAL VARIANCE FROM BUDGET- Over/(Under)	1,169		-		
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TOP FINANCIAL RISKS 2020/21

1. Delivery of savings targets for 2020/21
2. Capacity to support change across the organisation

RESOURCES
DEPARTMENT SUMMARY
CABINET MEMBER

Councillor Simon Hall	Cabinet Member for Finance & Resources
Councillor Alisa Flemming	Cabinet Member for Children, Young People & Learning
Councillor Hamida Ali	Cabinet Member for Safer Croydon & Communities

DEPARTMENT MANAGEMENT TEAM

NAME	TITLE	TEL. EX.
Jaqueline Harris-Baker	Executive Director of Resources	61848
Neil Williams	Chief Digital Officer	64682
Sarah Warman	Director of Commissioning & Procurement	63138
Sue Moorman	Director of Human Resources	60881
Lisa Taylor	Director of Finance, Investment and Risk and Section 151 Officer	61438
Sean Murphy	Interim Director of Law and Monitoring Officer	62328
Gavin Handford	Director Policy & Partnership	47507

COST CENTRE	DIVISION
C1605P	Facilities Management And Support Services
C1610P	Commissioning And Procurement
C1620P	Human Resources
C1625P	Chief Executives Office
C1655P	Resources Directorate
C1665P	Finance Investment And Risk
C1670P	Digital And IT
C1675P	Law And Governance
C1675P	Strategy And Partnerships

MOVEMENT IN SERVICE NET EXPENDITURE

FORECAST 2019/20 £000's	DIVISION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	Other (C) £000's		
(12,897)	Facilities Management And Support Services	(12,491)	114	12,472	95	(101)
3,993	Commissioning And Procurement	4,597	791	1,635	7,023	53
2,901	Human Resources	3,185	95	(704)	2,576	(19)
450	Resources Directorate	(870)	276	(1,122)	(1,716)	97
(2,081)	Finance Investment And Risk	(1,735)	242	3,801	2,308	(233)
444	Digital And IT	496	427	(467)	456	(8)
2,563	Law And Governance	2,554	74	(264)	2,364	(7)
1,047	Strategy And Partnerships	1,088	16	(914)	190	(83)
- 3,580	TOTAL NET SPEND	(3,176)	2,035	14,437	13,296	(519)

STAFF ESTABLISHMENT NUMBERS

DIVISION	ORIGINAL BUDGET 2019/20 FTE STAFF	ORIGINAL BUDGET 2020/21 FTE STAFF	CHANGE IN FTE FTE STAFF
Facilities Management And Support Services	194.6	179.6	(15.0)
Commissioning And Procurement	152.7	152.8	0.1
Human Resources	83.7	98.6	14.9
Resources Directorate	2.0	8.0	6.0
Finance Investment And Risk	255.1	270.4	15.3
Digital And IT	75.6	130.6	55.0
Law & Governance	70.0	75.5	5.5
Strategy And Partnerships	10.5	15.0	4.5
TOTAL FTE STAFF	844.3	930.5	86.2

STAFF ESTABLISHMENT NUMBERS - REASONS FOR VARIATIONS

Digital and IT - insourcing of services
Human Resources - insourcing of payroll

RESOURCES

DEPARTMENT SUBJECTIVE SUMMARY

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
36,506	Employees	40,586	1,311	2,554	44,451	10
477	Premises related expenditure	213	-	(30)	183	(14)
22,829	Supplies and Services	9,948	749	3,179	13,876	39
18,414	Third Party Payments	23,015	7	(1,276)	21,746	(6)
177,977	Transfer Payments	180,162	-	(122)	180,040	(0)
241	Transport related expenditure	50	-	-	50	-
1,787	Recharges from other services	73	-	(14)	59	(19)
258,231	TOTAL EXPENDITURE	254,047	2,067	4,291	260,405	3
(183,299)	Government Grants	(183,260)	-	-	(183,260)	-
(3,815)	Other Grants, reimbursements and contributions	(6,202)	-	(217)	(6,419)	3
(5,751)	Customer and Client Receipts	(6,594)	(31)	1,744	(4,881)	(26)
-	Interest Receivable	(28)	-	-	(28)	-
(28,832)	Recharges to other services	(20,852)	(1)	(7,447)	(28,300)	36
(221,697)	TOTAL INCOME	(216,936)	(32)	(5,920)	(222,888)	3
36,534	NET CONTROLLABLE COST	37,111	2,035	(1,629)	37,517	1
1,103	Capital Charges	4,683	-	(1,720)	2,963	(37)
3,580	Intangible Charges	-	-	-	-	n/a
576	REFCUS	576	-	-	576	-
(45,546)	Corporate support services bought in	(45,546)	-	17,786	(27,760)	(39)
(40,287)	TOTAL UNCONTROLLABLE COST	(40,287)	-	16,066	(24,221)	(40)
(3,753)	NET COST OF SERVICE	(3,176)	2,035	14,437	13,296	(519)
173	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
173	TOTAL APPROPRIATIONS	-	-	-	-	n/a
(3,580)	TOTAL NET EXPENDITURE	(3,176)	2,035	14,437	13,296	(519)
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
Strategic budget - agreed pressures / service demands						3,350
Strategic budget - agreed additional income / savings						(3,719)
Other resource changes						2,196
TOTAL OTHER VARIATIONS IN RESOURCE						1,827

SERVICE DESCRIPTION

Divisional Overview of Services
 The division is made up the service areas as below;

To provide a cost effective administrative, business, and management support functions across the Council to support the efficient and effective delivery of Council services.

MOVEMENT IN NET EXPENDITURE

COST CENTRE	SERVICE	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	Other (C) £000's		
C1624Q	Business Support	5,322	111	(540)	4,893	(8)
C1670Q	Customer Services Directorate	(17,813)	3	17,552	(258)	(99)
	TOTAL NET SPEND	(12,491)	114	17,012	4,635	(137)

STAFF ESTABLISHMENT NUMBERS

SERVICE	ORIGINAL BUDGET 2019/20 FTE STAFF	ORIGINAL BUDGET 2020/21 FTE STAFF	CHANGE IN FTE STAFF
Business Support	193.6	179.6	(14.0)
Customer Services Directorate	1.0	-	(1.0)
TOTAL FTE STAFF	194.6	179.6	(15.0)

RESOURCES		DIVISION SUBJECTIVE SUMMARY				
SUPPORT SERVICES						
COST CENTRE: C1605P						
FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
6,487	Employees	6,846	114	(894)	6,066	(11)
1	Premises related expenditure	-	-	-	-	n/a
121	Supplies and Services	384	-	(11)	373	(3)
-	Third Party Payments	-	-	-	-	n/a
-	Transfer Payments	-	-	-	-	n/a
11	Transport related expenditure	10	-	-	10	-
(16)	Recharges from other services	-	-	-	-	n/a
6,604	TOTAL EXPENDITURE	7,240	114	(905)	6,449	(11)
-	Government Grants	-	-	-	-	n/a
-	Other Grants, reimbursements and contributions	-	-	-	-	n/a
(190)	Customer and Client Receipts	(108)	-	-	(108)	-
-	Interest Receivable	-	-	-	-	n/a
(1,604)	Recharges to other services	(1,916)	-	210	(1,706)	(11)
(1,794)	TOTAL INCOME	(2,024)	-	210	(1,814)	(10)
4,810	NET CONTROLLABLE COST	5,216	114	(695)	4,635	(11)
-	Capital Charges	-	-	-	-	n/a
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
(17,707)	Corporate support services bought in	(17,707)	-	13,167	(4,540)	(74)
(17,707)	TOTAL UNCONTROLLABLE COST	(17,707)	-	13,167	(4,540)	(74)
(12,897)	NET COST OF SERVICE	(12,491)	114	12,472	95	(101)
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
(12,897)	TOTAL NET EXPENDITURE	(12,491)	114	12,472	95	(101)
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						3,350
<u>Strategic budget - agreed additional income / savings</u>						(3,784)
<u>Other resource changes</u>						17,012
TOTAL OTHER VARIATIONS IN RESOURCE						16,578

**RESOURCES
FACILITIES MANAGEMENT AND SUPPORT SERVICES
BUSINESS SUPPORT**

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1624Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
6,487	Employees	6,697	111	(742)	6,066	(9)
1	Premises related expenditure	-	-	-	-	n/a
121	Supplies and Services	381	-	(8)	373	(2)
-	Third Party Payments	-	-	-	-	n/a
-	Transfer Payments	-	-	-	-	n/a
11	Transport related expenditure	10	-	-	10	-
(16)	Recharges from other services	-	-	-	-	n/a
6,604	TOTAL EXPENDITURE	7,088	111	(750)	6,449	(9)
-	Government Grants	-	-	-	-	n/a
-	Other Grants, reimbursements and contributions	-	-	-	-	n/a
(190)	Customer and Client Receipts	(108)	-	-	(108)	-
-	Interest Receivable	-	-	-	-	n/a
(1,498)	Recharges to other services	(1,658)	-	210	(1,448)	(13)
(1,688)	TOTAL INCOME	(1,766)	-	210	(1,556)	(12)
4,916	NET CONTROLLABLE COST	5,322	111	(540)	4,893	(8)
-	Capital Charges	-	-	-	-	n/a
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
-	Corporate support services bought in	-	-	-	-	n/a
-	TOTAL UNCONTROLLABLE COST	-	-	-	-	n/a
4,916	NET COST OF SERVICE	5,322	111	(540)	4,893	(8)
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
4,916	TOTAL NET EXPENDITURE	5,322	111	(540)	4,893	(8)
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						-
<u>Strategic budget - agreed additional income / savings</u>						-
<u>Other resource changes</u>						-
Transfer of Budget to Chief Executives Office (See RED 4.4)						(94)
Transfer of Budget to Place Directorate						(271)
Transfer of Budget to Director of Adult Social Care and All-Age Disability						(94)
Transfer of Budget to Executive Director of Childrens Families and Education						(115)
Transfer of Budget to Executive Director of Resources (see RED 4.3)						(190)
Transfer of Budget to Executive Director of Gateway						(58)
Transfer of Budget from Childrens Early Help and Social Care						389
Transfer from Facilities Management (see Place RED 7.3)						(107)
						(540)
TOTAL OTHER VARIATIONS IN RESOURCE						(540)

**RESOURCES
FACILITIES MANAGEMENT AND SUPPORT SERVICES
CUSTOMER SERVICES DIRECTORATE**

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1670Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
-	Employees	149	3	(152)	-	(100)
-	Premises related expenditure	-	-	-	-	n/a
-	Supplies and Services	3	-	(3)	-	(100)
-	Third Party Payments	-	-	-	-	n/a
-	Transfer Payments	-	-	-	-	n/a
-	Transport related expenditure	-	-	-	-	n/a
-	Recharges from other services	-	-	-	-	n/a
-	TOTAL EXPENDITURE	152	3	(155)	-	(100)
-	Government Grants	-	-	-	-	n/a
-	Other Grants, reimbursements and contributions	-	-	-	-	n/a
-	Customer and Client Receipts	-	-	-	-	n/a
-	Interest Receivable	-	-	-	-	n/a
(106)	Recharges to other services	(258)	-	-	(258)	-
(106)	TOTAL INCOME	(258)	-	-	(258)	-
(106)	NET CONTROLLABLE COST	(106)	3	(155)	(258)	143
-	Capital Charges	-	-	-	-	n/a
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
(17,707)	Corporate support services bought in	(17,707)	-	17,707	-	(100)
(17,707)	TOTAL UNCONTROLLABLE COST	(17,707)	-	17,707	-	(100)
(17,813)	NET COST OF SERVICE	(17,813)	3	17,552	(258)	(99)
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
(17,813)	TOTAL NET EXPENDITURE	(17,813)	3	17,552	(258)	(99)
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						-
<u>Strategic budget - agreed additional income / savings</u>						-
<u>Other resource changes</u>						-
Transfer of Budget to Facilities Management (See Place RED 7.3)						(155)
Decrease in Corporate Services bought in Income						17,707
						17,552
TOTAL OTHER VARIATIONS IN RESOURCE						17,552

SERVICE DESCRIPTION

The Commissioning and Procurement Division is a hub of corporate, enabling, operational and commercial services including:

- Being the professional lead for commissioning, procurement and contract management driving excellence in what we do across the organisation
- Leading the procurement governance, including compliance with procurement regulations and ensuring value for money on commissioned spend
- Leading the commissioning of services, including children and adults services
- Delivering a strong brokerage, placements and contract management function, with an emphasis on improving quality and delivering value for money
- Leading integrated commissioning with partners
- Supporting the identification and assessment of need, through the provision of qualitative and quantitative data and information including the maintenance of the Council's observatory
- Leading the council's performance function
- Delivering a strong insight function which supports the organisation to make informed decisions
- Put in place performance analysis and improvement frameworks to drive service quality and accountability, including robust contract

MOVEMENT IN NET EXPENDITURE

COST CENTRE	SERVICE	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	Other (C) £000's		
C1282Q	Children And Maternity Integrated Commissioning	790	-	1,132	1,922	143
C1462Q	Older People Commissioning And Brokerage Staffing	1,145	-	(104)	1,041	(9)
C1626Q	C & P Directorate	(5,547)	449	909	(4,189)	(24)
C1672Q	C & P Performance And Insight	1,264	106	(185)	1,185	(6)
C1674Q	C & P Corporate	734	-	298	1,032	41
C1676Q	C & P Place And Resources	1,170	150	66	1,386	18
C1680Q	C & P Children Families And Learning	581	19	-	600	3
C1682Q	C & P Adults Health And Housing	4,460	67	(481)	4,046	(9)
TOTAL NET SPEND		4,597	791	1,635	7,023	53

STAFF ESTABLISHMENT NUMBERS

SERVICE	ORIGINAL BUDGET 2019/20	ORIGINAL BUDGET 2020/21	CHANGE IN
	FTE STAFF	FTE STAFF	FTE STAFF
Children And Maternity Integrated Commissioning	2.8	2.8	-
Older People Commissioning And Brokerage Staffing	31.6	31.6	0.1
C & P Directorate	1.0	1.0	-
C & P Performance And Insight	29.5	29.5	-
C & P Corporate	10.0	10.0	-
C & P Place And Resources	27.0	27.0	-
C & P Children Families And Learning	29.4	29.4	0.0
C & P Adults Health And Housing	21.5	21.5	-
TOTAL FTE STAFF	152.7	152.8	0.1

RESOURCES **DIVISION SUBJECTIVE SUMMARY**
COMMISSIONING AND PROCUREMENT

COST CENTRE: C1610P

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
8,150	Employees	12,002	641	185	12,828	7
252	Premises related expenditure	165	-	-	165	-
(3,030)	Supplies and Services	(2,953)	150	(47)	(2,850)	(3)
16,884	Third Party Payments	13,340	-	-	13,340	-
-	Transfer Payments	-	-	-	-	n/a
208	Transport related expenditure	4	-	-	4	-
854	Recharges from other services	15	-	-	15	-
23,318	TOTAL EXPENDITURE	22,573	791	138	23,502	4
(3,317)	Government Grants	(3,595)	-	-	(3,595)	-
(212)	Other Grants, reimbursements and contributions	(340)	-	-	(340)	-
(368)	Customer and Client Receipts	(520)	-	-	(520)	-
-	Interest Receivable	(28)	-	-	(28)	-
(11,046)	Recharges to other services	(9,139)	-	(681)	(9,820)	7
(14,943)	TOTAL INCOME	(13,622)	-	(681)	(14,303)	5
8,375	NET CONTROLLABLE COST	8,951	791	(543)	9,199	3
1,103	Capital Charges	1,103	-	194	1,297	18
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
(5,457)	Corporate support services bought in	(5,457)	-	1,984	(3,473)	(36)
(4,354)	TOTAL UNCONTROLLABLE COST	(4,354)	-	2,178	(2,176)	(50)
4,021	NET COST OF SERVICE	4,597	791	1,635	7,023	53
(28)	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
(28)	TOTAL APPROPRIATIONS	-	-	-	-	n/a
3,993	TOTAL NET EXPENDITURE	4,597	791	1,635	7,023	53

**RESOURCES
COMMISSIONING AND PROCUREMENT
CHILDREN AND MATERNITY INTEGRATED COMMISSIONING**

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1282Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
940	Employees	199	-	-	199	-
-	Premises related expenditure	-	-	-	-	n/a
-	Supplies and Services	5	-	-	5	-
9,082	Third Party Payments	7,473	-	-	7,473	-
-	Transfer Payments	-	-	-	-	n/a
-	Transport related expenditure	-	-	-	-	n/a
-	Recharges from other services	-	-	-	-	n/a
10,022	TOTAL EXPENDITURE	7,677	-	-	7,677	-
-	Government Grants	-	-	-	-	n/a
(89)	Other Grants, reimbursements and contributions	-	-	-	-	n/a
(52)	Customer and Client Receipts	(54)	-	-	(54)	-
-	Interest Receivable	-	-	-	-	n/a
(9,082)	Recharges to other services	(6,833)	-	-	(6,833)	-
(9,223)	TOTAL INCOME	(6,887)	-	-	(6,887)	-
799	NET CONTROLLABLE COST	790	-	-	790	-
-	Capital Charges	-	-	-	-	n/a
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
-	Corporate support services bought in	-	-	1,132	1,132	n/a
-	TOTAL UNCONTROLLABLE COST	-	-	1,132	1,132	n/a
799	NET COST OF SERVICE	790	-	1,132	1,922	143
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
799	TOTAL NET EXPENDITURE	790	-	1,132	1,922	143
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						-
<u>Strategic budget - agreed additional income / savings</u>						-
<u>Other resource changes</u>						-
Changes in the level of corporate support services						1,132
						1,132
TOTAL OTHER VARIATIONS IN RESOURCE						1,132

RESOURCES
COMMISSIONING AND PROCUREMENT
OLDER PEOPLE COMMISSIONING AND BROKERAGE STAFFING

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1462Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
981	Employees	1,289	-	(104)	1,185	(8)
8	Premises related expenditure	-	-	-	-	n/a
54	Supplies and Services	1	-	-	1	-
-	- Third Party Payments	2	-	-	2	-
-	- Transfer Payments	-	-	-	-	n/a
-	- Transport related expenditure	3	-	-	3	-
33	Recharges from other services	-	-	-	-	n/a
1,076	TOTAL EXPENDITURE	1,295	-	(104)	1,191	(8)
-	- Government Grants	-	-	-	-	n/a
-	- Other Grants, reimbursements and contributions	(115)	-	-	(115)	-
-	- Customer and Client Receipts	-	-	-	-	n/a
-	- Interest Receivable	-	-	-	-	n/a
(35)	Recharges to other services	(35)	-	-	(35)	-
(35)	TOTAL INCOME	(150)	-	-	(150)	-
1,041	NET CONTROLLABLE COST	1,145	-	(104)	1,041	(9)
-	- Capital Charges	-	-	-	-	n/a
-	- Intangible Charges	-	-	-	-	n/a
-	- REFCUS	-	-	-	-	n/a
-	- Corporate support services bought in	-	-	-	-	n/a
-	TOTAL UNCONTROLLABLE COST	-	-	-	-	n/a
1,041	NET COST OF SERVICE	1,145	-	(104)	1,041	(9)
-	- Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	- Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	- Financing of Capital Expenditure	-	-	-	-	n/a
-	- Provision for Repayment of External Loans	-	-	-	-	n/a
-	- Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
1,041	TOTAL NET EXPENDITURE	1,145	-	(104)	1,041	(9)
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						-
<u>Strategic budget - agreed additional income / savings</u>						-
<u>Other resource changes</u>						-
Transfer of posts within C&P to Directorate RED 2.5						(104)
						(104)
TOTAL OTHER VARIATIONS IN RESOURCE						(104)

**RESOURCES
COMMISSIONING AND PROCUREMENT
C & P DIRECTORATE**

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1626Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
62	Employees	246	449	104	799	225
-	Premises related expenditure	-	-	-	-	n/a
52	Supplies and Services	52	-	(47)	5	(90)
-	Third Party Payments	-	-	-	-	n/a
-	Transfer Payments	-	-	-	-	n/a
207	Transport related expenditure	-	-	-	-	n/a
15	Recharges from other services	15	-	-	15	-
336	TOTAL EXPENDITURE	313	449	57	819	162
-	Government Grants	-	-	-	-	n/a
(23)	Other Grants, reimbursements and contributions	-	-	-	-	n/a
(253)	Customer and Client Receipts	(403)	-	-	(403)	-
-	Interest Receivable	-	-	-	-	n/a
(150)	Recharges to other services	-	-	-	-	n/a
(426)	TOTAL INCOME	(403)	-	-	(403)	-
(90)	NET CONTROLLABLE COST	(90)	449	57	416	(562)
-	Capital Charges	-	-	-	-	n/a
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
(5,457)	Corporate support services bought in	(5,457)	-	852	(4,605)	(16)
(5,457)	TOTAL UNCONTROLLABLE COST	(5,457)	-	852	(4,605)	(16)
(5,547)	NET COST OF SERVICE	(5,547)	449	909	(4,189)	(24)
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
(5,547)	TOTAL NET EXPENDITURE	(5,547)	449	909	(4,189)	(24)
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						-
<u>Strategic budget - agreed additional income / savings</u>						(69)
Effective Corporate Centre						(41)
Supplies and services reduction						(110)
<u>Other resource changes</u>						63
Transfer of training budget from Resources Directorate RED 4.3						104
Transfer of salary budget from within C&P RED 2.4						167
TOTAL OTHER VARIATIONS IN RESOURCE						57

**RESOURCES
COMMISSIONING AND PROCUREMENT
C & P PERFORMANCE AND INSIGHT**

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1672Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
2,046	Employees	1,540	106	(185)	1,461	(5)
1	Premises related expenditure	-	-	-	-	n/a
30	Supplies and Services	54	-	-	54	-
-	- Third Party Payments	-	-	-	-	n/a
-	- Transfer Payments	-	-	-	-	n/a
-	- Transport related expenditure	-	-	-	-	n/a
(180)	Recharges from other services	-	-	-	-	n/a
1,897	TOTAL EXPENDITURE	1,594	106	(185)	1,515	(5)
-	- Government Grants	-	-	-	-	n/a
-	- Other Grants, reimbursements and contributions	-	-	-	-	n/a
-	- Customer and Client Receipts	-	-	-	-	n/a
-	- Interest Receivable	-	-	-	-	n/a
(633)	Recharges to other services	(330)	-	-	(330)	-
(633)	TOTAL INCOME	(330)	-	-	(330)	-
1,264	NET CONTROLLABLE COST	1,264	106	(185)	1,185	(6)
-	- Capital Charges	-	-	-	-	n/a
-	- Intangible Charges	-	-	-	-	n/a
-	- REFCUS	-	-	-	-	n/a
-	- Corporate support services bought in	-	-	-	-	n/a
-	TOTAL UNCONTROLLABLE COST	-	-	-	-	n/a
1,264	NET COST OF SERVICE	1,264	106	(185)	1,185	(6)
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
1,264	TOTAL NET EXPENDITURE	1,264	106	(185)	1,185	(6)
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						-
<u>Strategic budget - agreed additional income / savings</u>						(185)
Reshape business improvement function in C&P						(185)
<u>Other resource changes</u>						-
TOTAL OTHER VARIATIONS IN RESOURCE						(185)

**RESOURCES
COMMISSIONING AND PROCUREMENT
C & P CORPORATE**

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1674Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
888	Employees	633	-	298	931	47
-	Premises related expenditure	-	-	-	-	n/a
435	Supplies and Services	109	-	-	109	-
-	Third Party Payments	185	-	-	185	-
-	Transfer Payments	-	-	-	-	n/a
-	Transport related expenditure	-	-	-	-	n/a
16	Recharges from other services	-	-	-	-	n/a
1,339	TOTAL EXPENDITURE	927	-	298	1,225	32
-	Government Grants	-	-	-	-	n/a
-	Other Grants, reimbursements and contributions	-	-	-	-	n/a
-	Customer and Client Receipts	-	-	-	-	n/a
-	Interest Receivable	-	-	-	-	n/a
(605)	Recharges to other services	(193)	-	-	(193)	-
(605)	TOTAL INCOME	(193)	-	-	(193)	-
734	NET CONTROLLABLE COST	734	-	298	1,032	41
-	Capital Charges	-	-	-	-	n/a
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
-	Corporate support services bought in	-	-	-	-	n/a
-	TOTAL UNCONTROLLABLE COST	-	-	-	-	n/a
734	NET COST OF SERVICE	734	-	298	1,032	41
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
734	TOTAL NET EXPENDITURE	734	-	298	1,032	41
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						-
<u>Strategic budget - agreed additional income / savings</u>						298
Effective Corporate Centre - establish a Central Buying Team						298
<u>Other resource changes</u>						-
TOTAL OTHER VARIATIONS IN RESOURCE						298

**RESOURCES
COMMISSIONING AND PROCUREMENT
C & P PLACE AND RESOURCES**

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1676Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
1,320	Employees	1,536	-	72	1,608	5
243	Premises related expenditure	165	-	-	165	-
(3,810)	Supplies and Services	(3,469)	150	-	(3,319)	(4)
5,608	Third Party Payments	5,608	-	-	5,608	-
-	Transfer Payments	-	-	-	-	n/a
1	Transport related expenditure	1	-	-	1	-
370	Recharges from other services	-	-	-	-	n/a
3,732	TOTAL EXPENDITURE	3,841	150	72	4,063	6
(2,869)	Government Grants	(2,869)	-	-	(2,869)	-
-	Other Grants, reimbursements and contributions	-	-	-	-	n/a
(63)	Customer and Client Receipts	(63)	-	-	(63)	-
-	Interest Receivable	(28)	-	-	(28)	-
(733)	Recharges to other services	(814)	-	(200)	(1,014)	25
(3,665)	TOTAL INCOME	(3,774)	-	(200)	(3,974)	5
67	NET CONTROLLABLE COST	67	150	(128)	89	33
1,103	Capital Charges	1,103	-	194	1,297	18
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
-	Corporate support services bought in	-	-	-	-	n/a
1,103	TOTAL UNCONTROLLABLE COST	1,103	-	194	1,297	18
1,170	NET COST OF SERVICE	1,170	150	66	1,386	18
(28)	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
	Financing of Capital Expenditure	-	-	-	-	n/a
	Provision for Repayment of External Loans	-	-	-	-	n/a
	Contribution to / (from) General Balances	-	-	-	-	n/a
(28)	TOTAL APPROPRIATIONS	-	-	-	-	n/a
1,142	TOTAL NET EXPENDITURE	1,170	150	66	1,386	18
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						-
<u>Strategic budget - agreed additional income / savings</u>						-
<u>Other resource changes</u>						-
Transfer of staffing from Place Department - reference PL2.13						72
Increase in capital charges associated with Caring 4 Croydon care homes						194
Change to levels of estimated charges to other funds						(200)
						66
TOTAL OTHER VARIATIONS IN RESOURCE						66

RESOURCES **DIVISION SUBJECTIVE SUMMARY**
COMMISSIONING AND PROCUREMENT
C & P CHILDREN FAMILIES AND LEARNING
COST CENTRE: C1680Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
980	Employees	1,351	19	-	1,370	1
-	- Premises related expenditure	-	-	-	-	n/a
169	Supplies and Services	294	-	-	294	-
60	Third Party Payments	72	-	-	72	-
-	- Transfer Payments	-	-	-	-	n/a
-	- Transport related expenditure	-	-	-	-	n/a
2	Recharges from other services	-	-	-	-	n/a
1,211	TOTAL EXPENDITURE	1,717	19	-	1,736	1
(448)	Government Grants	(726)	-	-	(726)	-
(100)	Other Grants, reimbursements and contributions	(225)	-	-	(225)	-
-	- Customer and Client Receipts	-	-	-	-	n/a
-	- Interest Receivable	-	-	-	-	n/a
(82)	Recharges to other services	(185)	-	-	(185)	-
(630)	TOTAL INCOME	(1,136)	-	-	(1,136)	-
581	NET CONTROLLABLE COST	581	19	-	600	3
-	- Capital Charges	-	-	-	-	n/a
-	- Intangible Charges	-	-	-	-	n/a
-	- REFCUS	-	-	-	-	n/a
-	- Corporate support services bought in	-	-	-	-	n/a
-	TOTAL UNCONTROLLABLE COST	-	-	-	-	n/a
581	NET COST OF SERVICE	581	19	-	600	3
-	- Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	- Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	- Financing of Capital Expenditure	-	-	-	-	n/a
-	- Provision for Repayment of External Loans	-	-	-	-	n/a
-	- Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
581	TOTAL NET EXPENDITURE	581	19	-	600	3
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
<u>Strategic budget - agreed additional income / savings</u>						-
<u>Other resource changes</u>						-
TOTAL OTHER VARIATIONS IN RESOURCE						-

RESOURCES **DIVISION SUBJECTIVE SUMMARY**
COMMISSIONING AND PROCUREMENT
C & P ADULTS HEALTH AND HOUSING
COST CENTRE: C1682Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
933	Employees	5,208	67	-	5,275	1
-	Premises related expenditure	-	-	-	-	n/a
40	Supplies and Services	1	-	-	1	-
2,134	Third Party Payments	-	-	-	-	n/a
-	Transfer Payments	-	-	-	-	n/a
-	Transport related expenditure	-	-	-	-	n/a
598	Recharges from other services	-	-	-	-	n/a
3,705	TOTAL EXPENDITURE	5,209	67	-	5,276	1
-	Government Grants	-	-	-	-	n/a
-	Other Grants, reimbursements and contributions	-	-	-	-	n/a
-	Customer and Client Receipts	-	-	-	-	n/a
-	Interest Receivable	-	-	-	-	n/a
274	Recharges to other services	(749)	-	(481)	(1,230)	64
274	TOTAL INCOME	(749)	-	(481)	(1,230)	64
3,979	NET CONTROLLABLE COST	4,460	67	(481)	4,046	(9)
-	Capital Charges	-	-	-	-	n/a
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
-	Corporate support services bought in	-	-	-	-	n/a
-	TOTAL UNCONTROLLABLE COST	-	-	-	-	n/a
3,979	NET COST OF SERVICE	4,460	67	(481)	4,046	(9)
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
3,979	TOTAL NET EXPENDITURE	4,460	67	(481)	4,046	(9)
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
<u>Strategic budget - agreed additional income / savings</u>						-
<u>Other resource changes</u>						-
Income transfer to Day services for placements to shared Lives from ref HW1.9						(481)
						(481)
TOTAL OTHER VARIATIONS IN RESOURCE						(481)

SERVICE DESCRIPTION

The Human Resources Division provides a range of services designed to support the organisation through supporting a workforce that is sustainable, skilled and well-led and allows talent to flourish. The work of the division involves the determination of people strategy, HR policy, pay and reward, recruitment and selection, workforce monitoring and planning, organisational change, organisational learning and development and employee relations.

Through the Finance and HR service centre the division provides HR management information, payroll services and establishment control, the administration of the Croydon local government pension scheme; Provision of support to the One Oracle system; Delivery of the Payroll service; Accounts Payable and Cash Management.

MOVEMENT IN NET EXPENDITURE

COST CENTRE	SERVICE	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	Other (C) £000's		
			C1612Q	HR And Finance Service Centre		
C1648Q	HR Consultancy Summary	1,116	21	(34)	1,103	(1)
C1650Q	Health And Wellbeing	65	(2)	2	65	-
C1652Q	Director Of Human Resources	(3,283)	3	(1,068)	(4,348)	32
C1902Q	Learning And Organisational Development	1,332	22	406	1,760	32
C1960Q	Recruitment Resourcing	329	7	(8)	328	
	TOTAL NET SPEND	3,185	95	(704)	2,576	(19)

STAFF ESTABLISHMENT NUMBERS

SERVICE	ORIGINAL BUDGET 2019/20	ORIGINAL BUDGET 2020/21	CHANGE IN FTE
	FTE STAFF	FTE STAFF	FTE STAFF
HR and Finance Service Centre	43.47	57.4	14.0
HR Consultancy	20.4	18.0	(2.4)
Health and Wellbeing	-	-	-
Director of Human Resources	1.0	1.0	-
Recruitment Resourcing	8.9	9.2	0.3
Learning & Organisational Development	10.0	13.0	3.0
TOTAL FTE STAFF	83.7	98.6	14.9

RESOURCES		DIVISION SUBJECTIVE SUMMARY				
HUMAN RESOURCES						
COST CENTRE: C1620P						
FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
4,755	Employees	4,674	102	904	5,680	22
13	Premises related expenditure	11	-	-	11	-
1,507	Supplies and Services	1,517	2	222	1,741	15
302	Third Party Payments	1,099	-	(1,098)	1	(100)
-	Transfer Payments	-	-	-	-	n/a
-	Transport related expenditure	-	-	-	-	n/a
79	Recharges from other services	(1)	-	-	(1)	-
6,656	TOTAL EXPENDITURE	7,300	104	28	7,432	2
-	Government Grants	-	-	-	-	n/a
(919)	Other Grants, reimbursements and contributions	(1,145)	-	(116)	(1,261)	10
(394)	Customer and Client Receipts	(462)	(9)	(16)	(487)	5
-	Interest Receivable	-	-	-	-	n/a
(271)	Recharges to other services	(350)	-	(39)	(389)	11
(1,584)	TOTAL INCOME	(1,957)	(9)	(171)	(2,137)	9
5,072	NET CONTROLLABLE COST	5,343	95	(143)	5,295	(1)
-	Capital Charges	1,009	-	58	1,067	6
1,009	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
(3,167)	Corporate support services bought in	(3,167)	-	(619)	(3,786)	20
(2,158)	TOTAL UNCONTROLLABLE COST	(2,158)	-	(561)	(2,719)	26
2,914	NET COST OF SERVICE	3,185	95	(704)	2,576	(19)
(13)	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
(13)	TOTAL APPROPRIATIONS	-	-	-	-	n/a
2,901	TOTAL NET EXPENDITURE	3,185	95	(704)	2,576	(19)
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						-
<u>Strategic budget - agreed additional income / savings</u>						(65)
<u>Other resource changes</u>						(1,037)
TOTAL OTHER VARIATIONS IN RESOURCE						(1,102)

RESOURCES
HUMAN RESOURCES
HR AND FINANCE SERVICE CENTRE

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1612Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/2020 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
2,238	Employees	1,917	47	904	2,868	50
-	Premises related expenditure	-	-	-	-	n/a
875	Supplies and Services	938	2	230	1,170	25
300	Third Party Payments	1,098	-	(1,098)	-	(100)
-	Transfer Payments	-	-	-	-	n/a
-	Transport related expenditure	-	-	-	-	n/a
25	Recharges from other services	-	-	-	-	n/a
3,438	TOTAL EXPENDITURE	3,953	49	36	4,038	2
-	Government Grants	-	-	-	-	n/a
(859)	Other Grants, reimbursements and contributions	(1,075)	-	(101)	(1,176)	9
(235)	Customer and Client Receipts	(261)	(5)	5	(261)	-
-	Interest Receivable	-	-	-	-	n/a
-	Recharges to other services	-	-	-	-	n/a
(1,094)	TOTAL INCOME	(1,336)	(5)	(96)	(1,437)	8
2,344	NET CONTROLLABLE COST	2,617	44	(60)	2,601	(1)
-	Capital Charges	1,009	-	58	1,067	6
1,009	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
-	Corporate support services bought in	-	-	-	-	n/a
1,009	TOTAL UNCONTROLLABLE COST	1,009	-	58	1,067	6
3,353	NET COST OF SERVICE	3,626	44	(2)	3,668	1
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
3,353	TOTAL NET EXPENDITURE	3,626	44	(2)	3,668	1
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
						-
<u>Strategic budget - agreed additional income / savings</u>						
Effective Corporate Centre						(13)
Supplies and Services						(49)
						(62)
<u>Other resource changes</u>						
Transfer from Consultancy (see RED 3.4)						48
Increase in Capital charges						58
Transfer of Budget to Finance (see RED 5.9)						(45)
Internal Realignment within Human Resources						(1)
						60
TOTAL OTHER VARIATIONS IN RESOURCE						(2)

**RESOURCES
HUMAN RESOURCES
HR CONSULTANCY SUMMARY**

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1648Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
1,068	Employees	1,149	22	37	1,208	5
-	Premises related expenditure	-	-	-	-	n/a
200	Supplies and Services	45	-	(8)	37	(18)
-	Third Party Payments	-	-	-	-	n/a
-	Transfer Payments	-	-	-	-	n/a
-	Transport related expenditure	-	-	-	-	n/a
7	Recharges from other services	-	-	-	-	n/a
1,275	TOTAL EXPENDITURE	1,194	22	29	1,245	4
-	Government Grants	-	-	-	-	n/a
-	Other Grants, reimbursements and contributions	-	-	-	-	n/a
-	Customer and Client Receipts	(29)	(1)	(24)	(54)	86
-	Interest Receivable	-	-	-	-	n/a
(49)	Recharges to other services	(49)	-	(39)	(88)	80
(49)	TOTAL INCOME	(78)	(1)	(63)	(142)	82
1,226	NET CONTROLLABLE COST	1,116	21	(34)	1,103	(1)
-	Capital Charges	-	-	-	-	n/a
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
-	Corporate support services bought in	-	-	-	-	n/a
-	TOTAL UNCONTROLLABLE COST	-	-	-	-	n/a
1,226	NET COST OF SERVICE	1,116	21	(34)	1,103	(1)
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
1,226	TOTAL NET EXPENDITURE	1,116	21	(34)	1,103	(1)
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
						-
<u>Strategic budget - agreed additional income / savings</u>						
Supplies and Services						(3)
						(3)
<u>Other resource changes</u>						
Transfer to HR and Finance Service Centre (see RED 3.3)						(48)
Internal Realignment within Human Resources						17
						(31)
TOTAL OTHER VARIATIONS IN RESOURCE						(34)

RESOURCES
HUMAN RESOURCES
HEALTH AND WELLBEING

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1650Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
-	Employees	-	-	-	-	n/a
-	Premises related expenditure	-	-	-	-	n/a
75	Supplies and Services	165	-	-	165	-
-	Third Party Payments	-	-	-	-	n/a
-	Transfer Payments	-	-	-	-	n/a
-	Transport related expenditure	-	-	-	-	n/a
1	Recharges from other services	-	-	-	-	n/a
76	TOTAL EXPENDITURE	165	-	-	165	-
-	Government Grants	-	-	-	-	n/a
-	Other Grants, reimbursements and contributions	-	-	-	-	n/a
(83)	Customer and Client Receipts	(100)	(2)	2	(100)	-
-	Interest Receivable	-	-	-	-	n/a
-	Recharges to other services	-	-	-	-	n/a
(83)	TOTAL INCOME	(100)	(2)	2	(100)	-
(7)	NET CONTROLLABLE COST	65	(2)	2	65	-
-	Capital Charges	-	-	-	-	n/a
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
-	Corporate support services bought in	-	-	-	-	n/a
-	TOTAL UNCONTROLLABLE COST	-	-	-	-	n/a
(7)	NET COST OF SERVICE	65	(2)	2	65	-
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
(7)	TOTAL NET EXPENDITURE	65	(2)	2	65	-
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						-
<u>Strategic budget - agreed additional income / savings</u>						-
<u>Other resource changes</u>						-
Internal Realignment within Human Resources						2
						2
TOTAL OTHER VARIATIONS IN RESOURCE						2

RESOURCES
HUMAN RESOURCES
DIRECTOR OF HUMAN RESOURCES

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1652Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
126	Employees	139	3	22	164	18
-	Premises related expenditure	-	-	-	-	n/a
13	Supplies and Services	1	-	-	1	-
2	Third Party Payments	1	-	-	1	-
-	Transfer Payments	-	-	-	-	n/a
-	Transport related expenditure	-	-	-	-	n/a
1	Recharges from other services	-	-	-	-	n/a
142	TOTAL EXPENDITURE	141	3	22	166	18
-	Government Grants	-	-	-	-	n/a
-	Other Grants, reimbursements and contributions	-	-	(15)	(15)	n/a
-	Customer and Client Receipts	-	-	-	-	n/a
-	Interest Receivable	-	-	-	-	n/a
-	Recharges to other services	-	-	-	-	n/a
-	TOTAL INCOME	-	-	(15)	(15)	n/a
142	NET CONTROLLABLE COST	141	3	7	151	7
-	Capital Charges	-	-	-	-	n/a
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
(3,424)	Corporate support services bought in	(3,424)	-	(1,075)	(4,499)	31
(3,424)	TOTAL UNCONTROLLABLE COST	(3,424)	-	(1,075)	(4,499)	31
(3,282)	NET COST OF SERVICE	(3,283)	3	(1,068)	(4,348)	32
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
(3,282)	TOTAL NET EXPENDITURE	(3,283)	3	(1,068)	(4,348)	32
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
						-
<u>Strategic budget - agreed additional income / savings</u>						
						-
<u>Other resource changes</u>						
Transfer of Staff Training Budget from Directorate (see RED)						40
Increase in corporate services bought in						(1,075)
Internal realignment within Human Resources						(33)
						(1,068)
TOTAL OTHER VARIATIONS IN RESOURCE						(1,068)

RESOURCES
HUMAN RESOURCES
LEARNING AND ORGANISATIONAL DEVELOPMENT

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1902Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
963	Employees	1,069	22	(50)	1,041	(3)
13	Premises related expenditure	11	-	-	11	-
135	Supplies and Services	101	-	-	101	-
-	- Third Party Payments	-	-	-	-	n/a
-	- Transfer Payments	-	-	-	-	n/a
-	- Transport related expenditure	-	-	-	-	n/a
46	Recharges from other services	-	-	-	-	n/a
1,157	TOTAL EXPENDITURE	1,181	22	(50)	1,153	(2)
-	- Government Grants	-	-	-	-	n/a
(60)	- Other Grants, reimbursements and contributions	(70)	-	-	(70)	-
-	- Customer and Client Receipts	-	-	-	-	n/a
-	- Interest Receivable	-	-	-	-	n/a
(36)	- Recharges to other services	(36)	-	-	(36)	-
(96)	TOTAL INCOME	(106)	-	-	(106)	-
1,061	NET CONTROLLABLE COST	1,075	22	(50)	1,047	(3)
-	- Capital Charges	-	-	-	-	n/a
-	- Intangible Charges	-	-	-	-	n/a
-	- REFCUS	-	-	-	-	n/a
257	Corporate support services bought in	257	-	456	713	177
257	TOTAL UNCONTROLLABLE COST	257	-	456	713	177
1,318	NET COST OF SERVICE	1,332	22	406	1,760	32
(13)	- Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	- Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	- Financing of Capital Expenditure	-	-	-	-	n/a
-	- Provision for Repayment of External Loans	-	-	-	-	n/a
-	- Contribution to / (from) General Balances	-	-	-	-	n/a
(13)	TOTAL APPROPRIATIONS	-	-	-	-	n/a
1,305	TOTAL NET EXPENDITURE	1,332	22	406	1,760	32
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						-
<u>Strategic budget - agreed additional income / savings</u>						(73)
Effective Corporate Centre						(73)
<u>Other resource changes</u>						456
Increase in corporate services bought in expenditure						23
Internal realignment within Human Resources						479
TOTAL OTHER VARIATIONS IN RESOURCE						406

**RESOURCES
HUMAN RESOURCES
RECRUITMENT RESOURCING**

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1960Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
360	Employees	400	8	(9)	399	(0)
-	Premises related expenditure	-	-	-	-	n/a
209	Supplies and Services	267	-	-	267	-
-	Third Party Payments	-	-	-	-	n/a
-	Transfer Payments	-	-	-	-	n/a
-	Transport related expenditure	-	-	-	-	n/a
(1)	Recharges from other services	(1)	-	-	(1)	-
568	TOTAL EXPENDITURE	666	8	(9)	665	(0)
-	Government Grants	-	-	-	-	n/a
-	Other Grants, reimbursements and contributions	-	-	-	-	n/a
(76)	Customer and Client Receipts	(72)	(1)	1	(72)	-
-	Interest Receivable	-	-	-	-	n/a
(186)	Recharges to other services	(265)	-	-	(265)	-
(262)	TOTAL INCOME	(337)	(1)	1	(337)	-
306	NET CONTROLLABLE COST	329	7	(8)	328	(0)
-	Capital Charges	-	-	-	-	n/a
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
-	Corporate support services bought in	-	-	-	-	n/a
-	TOTAL UNCONTROLLABLE COST	-	-	-	-	n/a
306	NET COST OF SERVICE	329	7	(8)	328	(0)
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
306	TOTAL NET EXPENDITURE	329	7	(8)	328	(0)
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						-
<u>Strategic budget - agreed additional income / savings</u>						-
<u>Other resource changes</u>						-
Internal Realignment within Human Resources						(8)
						(8)
TOTAL OTHER VARIATIONS IN RESOURCE						(8)

SERVICE DESCRIPTION

This budget holds the costs of the Chief Executive and the Director of Resources together with other associated support costs

MOVEMENT IN NET EXPENDITURE

COST CENTRE	SERVICE	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	Other (C) £000's		
C1688Q	Resources Directorate	224	8	29	261	17
C1904Q	Chief Executive	(1,094)	268	(1,151)	(1,977)	81
	TOTAL NET SPEND	(870)	276	(1,122)	(1,716)	97

STAFF ESTABLISHMENT NUMBERS

SERVICE	ORIGINAL BUDGET 2019/20 FTE STAFF	ORIGINAL BUDGET 2020/21 FTE STAFF	CHANGE IN FTE STAFF
Resources Directorate	1.0	4.0	3.0
Chief Executive	1.0	4.0	3.0
TOTAL FTE STAFF	2.0	8.0	6.0

**RESOURCES
RESOURCES DIRECTORATE**

DIVISION SUBJECTIVE SUMMARY

COST CENTRE: C1655P

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
537	Employees	303	15	157	475	57
-	- Premises related expenditure	-	-	-	-	n/a
198	Supplies and Services	35	276	1,298	1,609	4,497
-	- Third Party Payments	-	-	-	-	n/a
-	- Transfer Payments	-	-	-	-	n/a
-	- Transport related expenditure	-	-	-	-	n/a
172	Recharges from other services	-	-	-	-	n/a
907	TOTAL EXPENDITURE	338	291	1,455	2,084	517
-	- Government Grants	-	-	-	-	n/a
(40)	- Other Grants, reimbursements and contributions	(40)	-	-	(40)	-
-	- Customer and Client Receipts	(751)	(15)	15	(751)	-
-	- Interest Receivable	-	-	-	-	n/a
(417)	- Recharges to other services	(417)	-	(2,592)	(3,009)	622
(457)	TOTAL INCOME	(1,208)	(15)	(2,577)	(3,800)	215
450	NET CONTROLLABLE COST	(870)	276	(1,122)	(1,716)	97
-	- Capital Charges	-	-	-	-	n/a
-	- Intangible Charges	-	-	-	-	n/a
-	- REFCUS	-	-	-	-	n/a
-	- Corporate support services bought in	-	-	-	-	n/a
-	TOTAL UNCONTROLLABLE COST	-	-	-	-	n/a
450	NET COST OF SERVICE	(870)	276	(1,122)	(1,716)	97
-	- Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	- Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	- Financing of Capital Expenditure	-	-	-	-	n/a
-	- Provision for Repayment of External Loans	-	-	-	-	n/a
-	- Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
450	TOTAL NET EXPENDITURE	(870)	276	(1,122)	(1,716)	97
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						650
<u>Strategic budget - agreed additional income / savings</u>						(512)
<u>Other resource changes</u>						(1,260)
TOTAL OTHER VARIATIONS IN RESOURCE						(1,122)

RESOURCES
RESOURCES DIRECTORATE SUMMARY
RESOURCES DIRECTORATE

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1688Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
133	Employees	324	8	29	361	11
-	- Premises related expenditure	-	-	-	-	n/a
-	- Supplies and Services	-	-	-	-	n/a
-	- Third Party Payments	-	-	-	-	n/a
-	- Transfer Payments	-	-	-	-	n/a
-	- Transport related expenditure	-	-	-	-	n/a
167	Recharges from other services	-	-	-	-	n/a
300	TOTAL EXPENDITURE	324	8	29	361	11
-	- Government Grants	-	-	-	-	n/a
(40)	- Other Grants, reimbursements and contributions	(40)	-	-	(40)	-
-	- Customer and Client Receipts	-	-	-	-	n/a
-	- Interest Receivable	-	-	-	-	n/a
(60)	- Recharges to other services	(60)	-	-	(60)	-
(100)	TOTAL INCOME	(100)	-	-	(100)	-
200	NET CONTROLLABLE COST	224	8	29	261	17
-	- Capital Charges	-	-	-	-	n/a
-	- Intangible Charges	-	-	-	-	n/a
-	- REFCUS	-	-	-	-	n/a
-	- Corporate support services bought in	-	-	-	-	n/a
-	TOTAL UNCONTROLLABLE COST	-	-	-	-	n/a
200	NET COST OF SERVICE	224	8	29	261	17
-	- Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	- Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	- Financing of Capital Expenditure	-	-	-	-	n/a
-	- Provision for Repayment of External Loans	-	-	-	-	n/a
-	- Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
200	TOTAL NET EXPENDITURE	224	8	29	261	17
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
						-
<u>Strategic budget - agreed additional income / savings</u>						
						-
<u>Other resource changes</u>						
Transfer of Budget from Business Support (see RED 1.3)						190
Transfer of Staff Training Budget to C & P Directorate (see RED 2.5)						(63)
Transfer of Staff Training Budget to Director of Human Resources (see RED 3.6)						(40)
Transfer of Budget to Chief Executive (see RED 4.4)						(58)
						29
TOTAL OTHER VARIATIONS IN RESOURCE						29

RESOURCES
RESOURCES DIRECTORATE SUMMARY
CHIEF EXECUTIVE

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1904Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
404	Employees	(21)	7	128	114	(643)
-	Premises related expenditure	-	-	-	-	n/a
198	Supplies and Services	35	276	1,298	1,609	4,497
-	Third Party Payments	-	-	-	-	n/a
-	Transfer Payments	-	-	-	-	n/a
-	Transport related expenditure	-	-	-	-	n/a
5	Recharges from other services	-	-	-	-	n/a
607	TOTAL EXPENDITURE	14	283	1,426	1,723	12,207
-	Government Grants	-	-	-	-	n/a
-	Other Grants, reimbursements and contributions	-	-	-	-	n/a
-	Customer and Client Receipts	(751)	(15)	15	(751)	-
-	Interest Receivable	-	-	-	-	n/a
(357)	Recharges to other services	(357)	-	(2,592)	(2,949)	726
(357)	TOTAL INCOME	(1,108)	(15)	(2,577)	(3,700)	234
250	NET CONTROLLABLE COST	(1,094)	268	(1,151)	(1,977)	81
-	Capital Charges	-	-	-	-	n/a
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
-	Corporate support services bought in	-	-	-	-	n/a
-	TOTAL UNCONTROLLABLE COST	-	-	-	-	n/a
250	NET COST OF SERVICE	(1,094)	268	(1,151)	(1,977)	81
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
250	TOTAL NET EXPENDITURE	(1,094)	268	(1,151)	(1,977)	81
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
Cost of providing support to UASC population						650
						650
<u>Strategic budget - agreed additional income / savings</u>						
Capitalisation of costs in the division						(500)
Effective Corporate Centre						(7)
Supplies and services reduction						(5)
						(512)
<u>Other resource changes</u>						
Transfer of Budget from Business Support (see RED 1.3)						94
Transfer of Budget from Executive Director of Resources (see RED 4.3)						58
Realignment of charges to the Housing Revenue Account (HRA)						(2,000)
Realignment of base budgets						559
						(1,289)
TOTAL OTHER VARIATIONS IN RESOURCE						(1,151)

SERVICE DESCRIPTION

The Finance, Investment and Risk Division consists of 6 teams;

The Finance team provides strategic financial support to the organisation. Key functions of the team include financial planning; ensuring the robustness of the Council's annual budget (revenue and capital); Preparation of the accounts within statutory deadlines; Robust and detailed in-year financial monitoring of spend against budget and trends for the Council's delivery of its annual budget and Medium Term Financial Strategy.

The Governance Team provides advice and support to the organisation on matters of good governance. It includes the Council's internal audit service which gives assurance on the effectiveness of risk management, internal control and governance.

The Insurance, Risk and Business Continuity team support the Risk Management and Insurance framework; Provide Business continuity and emergency planning services. The team are also responsible for the Coroners Service which manages the multi borough partnership overseeing the South London Coroners service

The Treasury and Pensions service provides the cash management function for the authority; and Investment and administration of the Croydon Pension Fund.

The Revenues, Benefits, Income and Debt team are responsible for a number of functions including the administration of claims for Housing Benefits. The collection of council tax and business rates and sundry debt from customers. The team will also take on responsibility this year for the payment suppliers and the cash and control function as well as the maintenance of the Land Charges and street naming functions.

The Corporate Anti-Fraud Team investigates allegations of fraud committed against the Council by members of the public, staff, Members, contractors or other parties. Where appropriate it seeks the application of sanctions and uses proceeds of crime legislation to recover funds.

MOVEMENT IN NET EXPENDITURE

COST CENTRE	SERVICE	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	Other (C) £000's		
C1604Q	Governance Team	635	10	(22)	623	(2)
C1606Q	Insurance Risk And CPO	1,143	10	(149)	1,004	(12)
C1642Q	Coroners	350	-	-	350	-
C1608Q	Treasury And Pensions	289	16	(11)	294	2
C1614Q	Revenue And Benefits	2,410	138	1,178	3,726	55
C1686Q	Housing Benefits	-	-	-	-	n/a
C1910Q	Finance	(6,838)	57	2,815	(3,966)	(42)
C1920Q	Corporate Anti-Fraud	276	11	(10)	277	0
	TOTAL NET SPEND	(1,735)	242	3,801	2,308	(233)

STAFF ESTABLISHMENT NUMBERS

SERVICE	ORIGINAL BUDGET 2019/20	ORIGINAL BUDGET 2020/21	CHANGE IN
	FTE STAFF	FTE STAFF	FTE STAFF
Governance Team	2.0	1.4	(0.6)
Insurance Risk And CPO	9.0	9.0	-
Treasury And Pensions	5.3	8.7	3.4
Revenue And Benefits	181.0	195.0	14.0
Housing Benefits	-	-	-
Finance	45.8	46.8	1.0
Corporate Anti-Fraud	12.0	9.4	(2.6)
TOTAL FTE STAFF	255.1	270.4	15.3

**RESOURCES
FINANCE INVESTMENT AND RISK**

DIVISION SUBJECTIVE SUMMARY

COST CENTRE: C1665P

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
6,805	Employees	7,559	227	(39)	7,747	2
32	Premises related expenditure	30	-	(30)	-	(100)
7,103	Supplies and Services	6,326	15	(293)	6,048	(4)
825	Third Party Payments	847	7	14	868	2
177,977	Transfer Payments	180,040	-	-	180,040	-
3	Transport related expenditure	2	-	-	2	-
122	Recharges from other services	22	-	-	22	-
192,867	TOTAL EXPENDITURE	194,826	249	(348)	194,727	(0)
(179,665)	Government Grants	(179,665)	-	-	(179,665)	-
(2,536)	Other Grants, reimbursements and contributions	(4,677)	-	(101)	(4,778)	2
(4,684)	Customer and Client Receipts	(4,664)	(7)	1,745	(2,926)	(37)
-	Interest Receivable	-	-	-	-	n/a
(2,596)	Recharges to other services	(1,870)	-	(247)	(2,117)	13
(189,481)	TOTAL INCOME	(190,876)	(7)	1,397	(189,486)	(1)
3,386	NET CONTROLLABLE COST	3,950	242	1,049	5,241	33
-	Capital Charges	27	-	-	27	-
27	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
(5,712)	Corporate support services bought in	(5,712)	-	2,752	(2,960)	(48)
(5,685)	TOTAL UNCONTROLLABLE COST	(5,685)	-	2,752	(2,933)	(48)
(2,299)	NET COST OF SERVICE	(1,735)	242	3,801	2,308	(233)
218	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
218	TOTAL APPROPRIATIONS	-	-	-	-	n/a
(2,081)	TOTAL NET EXPENDITURE	(1,735)	242	3,801	2,308	(233)
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
Strategic budget - agreed pressures / service demands						100
Strategic budget - agreed additional income / savings						(396)
Other resource changes						4,097
TOTAL OTHER VARIATIONS IN RESOURCE						3,801

COST CENTRE: C1604Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
82	Employees	65	1	12	78	20
-	Premises related expenditure	-	-	-	-	n/a
602	Supplies and Services	621	10	(34)	597	(4)
-	Third Party Payments	-	-	-	-	n/a
-	Transfer Payments	-	-	-	-	n/a
-	Transport related expenditure	-	-	-	-	n/a
2	Recharges from other services	-	-	-	-	n/a
686	TOTAL EXPENDITURE	686	11	(22)	675	(2)
-	Government Grants	-	-	-	-	n/a
-	Other Grants, reimbursements and contributions	-	-	-	-	n/a
(51)	Customer and Client Receipts	(51)	(1)	-	(52)	2
-	Interest Receivable	-	-	-	-	n/a
-	Recharges to other services	-	-	-	-	n/a
(51)	TOTAL INCOME	(51)	(1)	-	(52)	2
635	NET CONTROLLABLE COST	635	10	(22)	623	(2)
-	Capital Charges	-	-	-	-	n/a
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
-	Corporate support services bought in	-	-	-	-	n/a
-	TOTAL UNCONTROLLABLE COST	-	-	-	-	n/a
635	NET COST OF SERVICE	635	10	(22)	623	(2)
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
635	TOTAL NET EXPENDITURE	635	10	(22)	623	(2)
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						-
<u>Strategic budget - agreed additional income / savings</u>						(14)
Effective Corporate Centre						(8)
Supplies and Services						(22)
<u>Other resource changes</u>						-
TOTAL OTHER VARIATIONS IN RESOURCE						(22)

**RESOURCES
FINANCE INVESTMENT AND RISK
INSURANCE RISK AND CPO SUMMARY**

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1606Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
543	Employees	561	11	1	573	2
30	Premises related expenditure	30	-	(30)	-	(100)
2,430	Supplies and Services	2,671	-	(283)	2,388	(11)
2	Third Party Payments	2	-	-	2	-
-	Transfer Payments	-	-	-	-	n/a
1	Transport related expenditure	2	-	-	2	-
1	Recharges from other services	-	-	-	-	n/a
3,007	TOTAL EXPENDITURE	3,266	11	(312)	2,965	(9)
-	Government Grants	-	-	-	-	n/a
(207)	Other Grants, reimbursements and contributions	(65)	-	-	(65)	-
(712)	Customer and Client Receipts	(852)	(1)	163	(690)	(19)
-	Interest Receivable	-	-	-	-	n/a
(1,206)	Recharges to other services	(1,206)	-	-	(1,206)	-
(2,125)	TOTAL INCOME	(2,123)	(1)	163	(1,961)	(8)
882	NET CONTROLLABLE COST	1,143	10	(149)	1,004	(12)
-	Capital Charges	-	-	-	-	n/a
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
-	Corporate support services bought in	-	-	-	-	n/a
-	TOTAL UNCONTROLLABLE COST	-	-	-	-	n/a
882	NET COST OF SERVICE	1,143	10	(149)	1,004	(12)
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
882	TOTAL NET EXPENDITURE	1,143	10	(149)	1,004	(12)
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
						-
<u>Strategic budget - agreed additional income / savings</u>						
Reduction in contribution to self insurance fund						(110)
Effective Corporate Centre						(24)
Supplies and Services						(15)
						(149)
<u>Other resource changes</u>						
						-
TOTAL OTHER VARIATIONS IN RESOURCE						(149)

**RESOURCES
FINANCE INVESTMENT AND RISK
TREASURY AND PENSIONS**

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1608Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/2021 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
494	Employees	668	11	78	757	13
-	- Premises related expenditure	-	-	-	-	n/a
154	Supplies and Services	79	5	24	108	37
-	- Third Party Payments	-	-	-	-	n/a
-	- Transfer Payments	-	-	-	-	n/a
-	- Transport related expenditure	-	-	-	-	n/a
-	- Recharges from other services	-	-	-	-	n/a
648	TOTAL EXPENDITURE	747	16	102	865	16
-	- Government Grants	-	-	-	-	n/a
(411)	Other Grants, reimbursements and contributions	(411)	-	(101)	(512)	25
(47)	Customer and Client Receipts	(31)	-	(16)	(47)	52
-	- Interest Receivable	-	-	-	-	n/a
(16)	Recharges to other services	(16)	-	4	(12)	(25)
(474)	TOTAL INCOME	(458)	-	(113)	(571)	25
174	NET CONTROLLABLE COST	289	16	(11)	294	2
-	- Capital Charges	-	-	-	-	n/a
-	- Intangible Charges	-	-	-	-	n/a
-	- REFCUS	-	-	-	-	n/a
-	- Corporate support services bought in	-	-	-	-	n/a
-	TOTAL UNCONTROLLABLE COST	-	-	-	-	n/a
174	NET COST OF SERVICE	289	16	(11)	294	2
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
174	TOTAL NET EXPENDITURE	289	16	(11)	294	2
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
						-
<u>Strategic budget - agreed additional income / savings</u>						
Effective Corporate Centre						(6)
Supplies and Services						(5)
						(11)
<u>Other resource changes</u>						
						-
TOTAL OTHER VARIATIONS IN RESOURCE						(11)

**RESOURCES
FINANCE INVESTMENT AND RISK
REVENUE AND BENEFITS**

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1614Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
6,157	Employees	6,652	136	(136)	6,652	-
-	Premises related expenditure	-	-	-	-	n/a
1,529	Supplies and Services	1,398	-	-	1,398	-
473	Third Party Payments	495	7	14	516	4
-	Transfer Payments	-	-	-	-	n/a
2	Transport related expenditure	-	-	-	-	n/a
118	Recharges from other services	22	-	-	22	-
8,279	TOTAL EXPENDITURE	8,567	143	(122)	8,588	0
-	Government Grants	-	-	-	-	n/a
(1,621)	Other Grants, reimbursements and contributions	(2,229)	-	-	(2,229)	-
(3,841)	Customer and Client Receipts	(3,621)	(5)	1,545	(2,081)	(43)
-	Interest Receivable	-	-	-	-	n/a
(334)	Recharges to other services	(334)	-	(245)	(579)	73
(5,796)	TOTAL INCOME	(6,184)	(5)	1,300	(4,889)	(21)
2,483	NET CONTROLLABLE COST	2,383	138	1,178	3,699	55
-	Capital Charges	27	-	-	27	-
27	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
-	Corporate support services bought in	-	-	-	-	n/a
27	TOTAL UNCONTROLLABLE COST	27	-	-	27	-
2,510	NET COST OF SERVICE	2,410	138	1,178	3,726	55
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
2,510	TOTAL NET EXPENDITURE	2,410	138	1,178	3,726	55
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
						-
<u>Strategic budget - agreed additional income / savings</u>						
Saving software and licence costs around organisation						(40)
Effective Corporate Centre						(52)
Supplies and Services						(30)
						(122)
<u>Other resource changes</u>						
Cash Limit adjustment to cover off loss of court costs income due to increased collection rates						1,300
						1,300
TOTAL OTHER VARIATIONS IN RESOURCE						1,178

RESOURCES **DIVISION SUBJECTIVE SUMMARY**
FINANCE INVESTMENT AND RISK
CORONERS

COST CENTRE: C1642Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
-	Employees	-	-	-	-	n/a
-	Premises related expenditure	-	-	-	-	n/a
-	Supplies and Services	-	-	-	-	n/a
350	Third Party Payments	350	-	-	350	-
-	Transfer Payments	-	-	-	-	n/a
-	Transport related expenditure	-	-	-	-	n/a
-	Recharges from other services	-	-	-	-	n/a
350	TOTAL EXPENDITURE	350	-	-	350	-
-	Government Grants	-	-	-	-	n/a
-	Other Grants, reimbursements and contributions	-	-	-	-	n/a
-	Customer and Client Receipts	-	-	-	-	n/a
-	Interest Receivable	-	-	-	-	n/a
-	Recharges to other services	-	-	-	-	n/a
-	TOTAL INCOME	-	-	-	-	n/a
350	NET CONTROLLABLE COST	350	-	-	350	-
-	Capital Charges	-	-	-	-	n/a
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
-	Corporate support services bought in	-	-	-	-	n/a
-	TOTAL UNCONTROLLABLE COST	-	-	-	-	n/a
350	NET COST OF SERVICE	350	-	-	350	-
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
350	TOTAL NET EXPENDITURE	350	-	-	350	-
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						-
<u>Strategic budget - agreed additional income / savings</u>						-
<u>Other resource changes</u>						-
TOTAL OTHER VARIATIONS IN RESOURCE						-

**RESOURCES
FINANCE INVESTMENT AND RISK
HOUSING BENEFITS**

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1686Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
-	Employees	-			-	n/a
-	Premises related expenditure	-			-	n/a
1,470	Supplies and Services	1,470		-	1,470	-
-	Third Party Payments	-			-	n/a
177,977	Transfer Payments	180,040		-	180,040	-
-	Transport related expenditure	-			-	n/a
-	Recharges from other services	-			-	n/a
179,447	TOTAL EXPENDITURE	181,510	-	-	181,510	-
(179,665)	Government Grants	(179,665)		-	(179,665)	-
-	Other Grants, reimbursements and contributions	(1,845)		-	(1,845)	-
-	Customer and Client Receipts	-			-	n/a
-	Interest Receivable	-			-	n/a
-	Recharges to other services	-			-	n/a
(179,665)	TOTAL INCOME	(181,510)	-	-	(181,510)	-
(218)	NET CONTROLLABLE COST	-	-	-	-	n/a
-	Capital Charges	-			-	n/a
-	Intangible Charges	-			-	n/a
-	REFCUS	-			-	n/a
-	Corporate support services bought in	-			-	n/a
-	TOTAL UNCONTROLLABLE COST	-	-	-	-	n/a
(218)	NET COST OF SERVICE	-	-	-	-	n/a
218	Contributions to / (from) Earmarked Reserves	-			-	n/a
-	Contributions to / (from) Capital Reserves:	-			-	n/a
-	Financing of Capital Expenditure	-			-	n/a
-	Provision for Repayment of External Loans	-			-	n/a
-	Contribution to / (from) General Balances	-			-	n/a
218	TOTAL APPROPRIATIONS	-	-	-	-	n/a
-	TOTAL NET EXPENDITURE	-	-	-	-	n/a
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
						-
<u>Strategic budget - agreed additional income / savings</u>						
						-
<u>Other resource changes</u>						
						-
						-
TOTAL OTHER VARIATIONS IN RESOURCE						-

**RESOURCES
FINANCE INVESTMENT AND RISK
FINANCE**

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1910Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
(946)	Employees	(922)	57	63	(802)	(13)
2	Premises related expenditure	-			-	n/a
829	Supplies and Services	53			53	-
-	- Third Party Payments	-			-	n/a
-	- Transfer Payments	-			-	n/a
-	- Transport related expenditure	-			-	n/a
1	Recharges from other services	-			-	n/a
(114)	TOTAL EXPENDITURE	(869)	57	63	(749)	(14)
-	- Government Grants	-			-	n/a
(72)	Other Grants, reimbursements and contributions	(37)			(37)	-
-	- Customer and Client Receipts	-			-	n/a
-	- Interest Receivable	-			-	n/a
(940)	Recharges to other services	(220)			(220)	-
(1,012)	TOTAL INCOME	(257)	-	-	(257)	-
-						
(1,126)	NET CONTROLLABLE COST	(1,126)	57	63	(1,006)	(11)
-	- Capital Charges	-			-	n/a
-	- Intangible Charges	-			-	n/a
-	- REFCUS	-			-	n/a
(5,712)	Corporate support services bought in	(5,712)		2,752	(2,960)	(48)
(5,712)	TOTAL UNCONTROLLABLE COST	(5,712)	-	2,752	(2,960)	(48)
(6,838)	NET COST OF SERVICE	(6,838)	57	2,815	(3,966)	(42)
-	- Contributions to / (from) Earmarked Reserves	-			-	n/a
-	- Contributions to / (from) Capital Reserves:	-			-	n/a
-	- Financing of Capital Expenditure	-			-	n/a
-	- Provision for Repayment of External Loans	-			-	n/a
-	- Contribution to / (from) General Balances	-			-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
(6,838)	TOTAL NET EXPENDITURE	(6,838)	57	2,815	(3,966)	(42)
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
Create a permanent head of Finance for the Children's, Families & Education						100
						100
<u>Strategic budget - agreed additional income / savings</u>						
Effective Corporate Centre						(52)
Supplies and Services						(30)
						(82)
<u>Other resource changes</u>						
Reduction in corporate services bought in income						2,752
Transfer of Budget from HR and Finance Service Centre (see RED 3.3)						45
						2,797
TOTAL OTHER VARIATIONS IN RESOURCE						2,815

**RESOURCES
FINANCE INVESTMENT AND RISK
CORPORATE ANTI-FRAUD**

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1920Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
475	Employees	535	11	(57)	489	(9)
-	- Premises related expenditure	-	-	-	-	n/a
89	Supplies and Services	34	-	-	34	-
-	- Third Party Payments	-	-	-	-	n/a
-	- Transfer Payments	-	-	-	-	n/a
-	- Transport related expenditure	-	-	-	-	n/a
-	- Recharges from other services	-	-	-	-	n/a
564	TOTAL EXPENDITURE	569	11	(57)	523	(8)
-	- Government Grants	-	-	-	-	n/a
(225)	- Other Grants, reimbursements and contributions	(90)	-	-	(90)	-
(33)	- Customer and Client Receipts	(109)	-	53	(56)	(49)
-	- Interest Receivable	-	-	-	-	n/a
(100)	- Recharges to other services	(94)	-	(6)	(100)	6
(358)	TOTAL INCOME	(293)	-	47	(246)	(16)
206	NET CONTROLLABLE COST	276	11	(10)	277	0
-	- Capital Charges	-	-	-	-	n/a
-	- Intangible Charges	-	-	-	-	n/a
-	- REFCUS	-	-	-	-	n/a
-	- Corporate support services bought in	-	-	-	-	n/a
-	TOTAL UNCONTROLLABLE COST	-	-	-	-	n/a
206	NET COST OF SERVICE	276	11	(10)	277	0
-	- Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	- Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	- Financing of Capital Expenditure	-	-	-	-	n/a
-	- Provision for Repayment of External Loans	-	-	-	-	n/a
-	- Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
206	TOTAL NET EXPENDITURE	276	11	(10)	277	0
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
						-
<u>Strategic budget - agreed additional income / savings</u>						
Effective Corporate Centre						(6)
Supplies and Services						(4)
						(10)
<u>Other resource changes</u>						
						-
						-
TOTAL OTHER VARIATIONS IN RESOURCE						(10)

SERVICE DESCRIPTION

The Croydon Digital Service's purpose is to lead the digital transformation of the council and borough, launching a unifying Digital Strategy for Croydon in 2019/20 and a roadmap of deliverables, with a focus on 3 strategic goals of:
 Digital Council – Optimising how the council uses digital design, data and technology to work efficiently, collaborate, make informed decisions, adapt and innovate.
 Digital Services - Transforming the relationship between residents and the council by providing online services so good people prefer to use them and can do so unaided.
 Digital Borough - Maximising opportunities for digital, data and technology to enhance quality of life and economic growth in our borough.
 Collaboration and Data - Digital tools will be used to collaborate with organisations across all sectors, make Croydon's data open and share digital assets for the public good.
 The service delivers on these objectives by operating and transforming a wide range of digital, data and technology services that enable the council to operate and to deliver on the Corporate Plan. It does this through a broad portfolio of in-house and external project delivery, and outsourced technology services partnerships with multiple ICT and digital specialist vendors; and by operating spend controls and quality assurance processes to ensure all new or renewed digital and technology services meet the Government Digital Service Standard. It also works externally, collaborating with and facilitating the Croydon tech sector community to co-design and co-deliver the digital place agenda.
 The Communications and Engagement service work to secure Croydon's reputation both locally and nationally as a fantastic place to live, work,

MOVEMENT IN NET EXPENDITURE

COST CENTRE	SERVICE	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	Other (C) £000's		
C1616Q	Communications And Engagement	463	23	498	984	113
C1620Q	Transformation	(11,491)	-	54	(11,437)	-
C1622Q	Information Communication Technology	11,524	404	(1,019)	10,909	-
	TOTAL NET SPEND	496	427	(467)	456	113

STAFF ESTABLISHMENT NUMBERS

SERVICE	ORIGINAL BUDGET 2019/20 FTE STAFF	ORIGINAL BUDGET 2020/21 FTE STAFF	CHANGE IN FTE STAFF
Communications And Engagement	24.6	20.6	(4.0)
Transformation	6.0	-	(6.0)
Information Communication Technology	45.0	110.0	65.0
TOTAL FTE STAFF	75.6	130.6	55.0

COST CENTRE: C1670P

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
5,180	Employees	4,556	122	2,268	6,946	52
66	Premises related expenditure	-	-	-	-	n/a
12,267	Supplies and Services	2,615	306	1,622	4,543	74
52	Third Party Payments	5,433	-	(399)	5,034	(7)
-	Transfer Payments	-	-	-	-	n/a
-	Transport related expenditure	-	-	-	-	n/a
430	Recharges from other services	-	-	-	-	n/a
17,995	TOTAL EXPENDITURE	12,604	428	3,491	16,523	31
-	Government Grants	-	-	-	-	n/a
-	Other Grants, reimbursements and contributions	-	-	-	-	n/a
(65)	Customer and Client Receipts	(76)	-	-	(76)	-
-	Interest Receivable	-	-	-	-	n/a
(7,871)	Recharges to other services	(2,421)	(1)	(4,023)	(6,445)	166
(7,936)	TOTAL INCOME	(2,497)	(1)	(4,023)	(6,521)	161
10,059	NET CONTROLLABLE COST	10,107	427	(532)	10,002	(1)
-	Capital Charges	2,544	-	(1,972)	572	(78)
2,544	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
(12,155)	Corporate support services bought in	(12,155)	-	2,037	(10,118)	(17)
(9,611)	TOTAL UNCONTROLLABLE COST	(9,611)	-	65	(9,546)	(1)
448	NET COST OF SERVICE	496	427	(467)	456	(8)
(4)	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
(4)	TOTAL APPROPRIATIONS	-	-	-	-	n/a
444	TOTAL NET EXPENDITURE	496	427	(467)	456	(8)
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
Strategic budget - agreed pressures / service demands						2,000
Strategic budget - agreed additional income / savings						(2,596)
Other resource changes						129
TOTAL OTHER VARIATIONS IN RESOURCE						(467)

**RESOURCES
CROYDON DIGITAL SERVICES
COMMUNICATIONS AND ENGAGEMENT**

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1616Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
1,019	Employees	1,097	24	71	1,192	9
60	Premises related expenditure	-			-	n/a
572	Supplies and Services	163		16	179	10
-	- Third Party Payments	-		11	11	n/a
-	- Transfer Payments	-			-	n/a
-	- Transport related expenditure	-			-	n/a
(384)	Recharges from other services	-			-	n/a
1,267	TOTAL EXPENDITURE	1,260	24	98	1,382	10
-	- Government Grants	-			-	n/a
-	- Other Grants, reimbursements and contributions	-			-	n/a
(65)	Customer and Client Receipts	(70)			(70)	-
-	- Interest Receivable	-			-	n/a
(272)	Recharges to other services	(370)	(1)	43	(328)	(11)
(337)	TOTAL INCOME	(440)	(1)	43	(398)	(10)
930	NET CONTROLLABLE COST	820	23	141	984	20
-	- Capital Charges	-			-	n/a
-	- Intangible Charges	-			-	n/a
-	- REFCUS	-			-	n/a
(357)	Corporate support services bought in	(357)		357	-	(100)
(357)	TOTAL UNCONTROLLABLE COST	(357)	-	357	-	(100)
573	NET COST OF SERVICE	463	23	498	984	113
(4)	Contributions to / (from) Earmarked Reserves	-			-	n/a
-	- Contributions to / (from) Capital Reserves:	-			-	n/a
-	- Financing of Capital Expenditure	-			-	n/a
-	- Provision for Repayment of External Loans	-			-	n/a
-	- Contribution to / (from) General Balances	-			-	n/a
(4)	TOTAL APPROPRIATIONS	-	-	-	-	n/a
569	TOTAL NET EXPENDITURE	463	23	498	984	113
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
						-
<u>Strategic budget - agreed additional income / savings</u>						
Effective Corporate Centre						(10)
Supplies and services reduction						(7)
						(17)
<u>Other resource changes</u>						
Transfer from Information Communication Technology (RED 6.5)						158
Decrease in corporate services bought in income						357
						515
TOTAL OTHER VARIATIONS IN RESOURCE						498

**RESOURCES
CROYDON DIGITAL SERVICES
TRANSFORMATION**

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1620Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
165	Employees	375	-	(375)	-	(100)
-	- Premises related expenditure	-	-	-	-	n/a
32	Supplies and Services	1	-	(1)	-	(100)
-	- Third Party Payments	-	-	-	-	n/a
-	- Transfer Payments	-	-	-	-	n/a
-	- Transport related expenditure	-	-	-	-	n/a
18	Recharges from other services	-	-	-	-	n/a
215	TOTAL EXPENDITURE	376	-	(376)	-	(100)
-	- Government Grants	-	-	-	-	n/a
-	- Other Grants, reimbursements and contributions	-	-	-	-	n/a
-	- Customer and Client Receipts	-	-	-	-	n/a
-	- Interest Receivable	-	-	-	-	n/a
(215)	Recharges to other services	(363)	-	363	-	(100)
(215)	TOTAL INCOME	(363)	-	363	-	(100)
-	NET CONTROLLABLE COST	13	-	(13)	-	(100)
-	- Capital Charges	21	-	8	29	38
-	- Intangible Charges	-	-	-	-	n/a
-	- REFCUS	-	-	-	-	n/a
-	- Corporate support services bought in	(11,525)	-	59	(11,466)	(1)
-	TOTAL UNCONTROLLABLE COST	(11,504)	-	67	(11,437)	(1)
-	NET COST OF SERVICE	(11,491)	-	54	(11,437)	(0)
-	- Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	- Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	- Financing of Capital Expenditure	-	-	-	-	n/a
-	- Provision for Repayment of External Loans	-	-	-	-	n/a
-	- Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
-	TOTAL NET EXPENDITURE	(11,491)	-	54	(11,437)	(0)
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
						-
<u>Strategic budget - agreed additional income / savings</u>						
						-
<u>Other resource changes</u>						
Transfer of budget to Information Communication Technology (see RED 6.5)						(13)
Increase in Capital charges						8
Decrease in corporate services bought in income						59
						54
TOTAL OTHER VARIATIONS IN RESOURCE						54

RESOURCES
CROYDON DIGITAL SERVICES
INFORMATION COMMUNICATION TECHNOLOGY

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1622Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/2021 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
3,996	Employees	3,084	98	2,572	5,754	87
6	Premises related expenditure	-	-	-	-	n/a
11,663	Supplies and Services	2,451	306	1,607	4,364	78
52	Third Party Payments	5,433	-	(410)	5,023	(8)
-	Transfer Payments	-	-	-	-	n/a
-	Transport related expenditure	-	-	-	-	n/a
796	Recharges from other services	-	-	-	-	n/a
16,513	TOTAL EXPENDITURE	10,968	404	3,769	15,141	38
-	Government Grants	-	-	-	-	n/a
-	Other Grants, reimbursements and contributions	-	-	-	-	n/a
-	Customer and Client Receipts	(6)	-	-	(6)	-
-	Interest Receivable	-	-	-	-	n/a
(7,384)	Recharges to other services	(1,688)	-	(4,429)	(6,117)	262
(7,384)	TOTAL INCOME	(1,694)	-	(4,429)	(6,123)	261
9,129	NET CONTROLLABLE COST	9,274	404	(660)	9,018	(3)
-	Capital Charges	2,523	-	(1,980)	543	(78)
2,544	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
(11,798)	Corporate support services bought in	(273)	-	1,621	1,348	(594)
(9,254)	TOTAL UNCONTROLLABLE COST	2,250	-	(359)	1,891	(16)
(125)	NET COST OF SERVICE	11,524	404	(1,019)	10,909	(5)
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
(125)	TOTAL NET EXPENDITURE	11,524	404	(1,019)	10,909	(5)
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
Strategic budget - agreed pressures / service demands						2,000
Croydon Digital Services Investment into the division to deliver the Digital Strategy						
						2,000
Strategic budget - agreed additional income / savings						
Reduce provision of work mobile phones						(170)
Staffing restructure in Croydon Digital Services						(463)
4G deployment on lampposts						(30)
Reduce availability and volume of hardware purchases						(150)
Retire CRM system and replace with new digital platform						(35)
Cease software and licence costs around organisation						(275)
Capitalisation of costs in the division						(1,000)
Effective Corporate Centre						(286)
Supplies and services reduction						(170)
						(2,579)
Other resource changes						
Transfer of budget from Information Communication Technology (see RED 6.5)						13
Decrease in Capital Charges						(1,980)
Increase in Corporate Services bought in expenditure						1,621
Transfer of Budget to Croydon Design Service (see RED7.11)						64
Transfer to Communications and Engagement (RED 6.3)						(158)
						(440)
TOTAL OTHER VARIATIONS IN RESOURCE						(1,019)

SERVICE DESCRIPTION

Croydon Legal Services (CLS), forming part of the Law and Governance Division, is structured across three main teams:

Litigation and Corporate Legal dealing with litigation, housing and corporate governance.

Commercial and Property Legal dealing with commercial, property, planning and internal legal support to major projects.

Social Care and Education Legal dealing with child protection, adult social care and education.

A new contract for specified external services commenced on 1 January 2018 for five years, establishing a strategic partnering arrangement with a single legal provider. A legal business manager has contract management responsibility for the contract, providing dedicated support to instructing officers and a gatekeeping role to ensure the cost effectiveness of legal services from the strategic partner.

The Division also includes the Mayoral Office service. This service provides a full range of private office services to enable the Mayor to carry out and achieve their core duties. This service includes time and diary management, providing information and coordinating briefings, correspondence handling, managing casework and community visits and supporting key meetings.

Democratic Services & Scrutiny is responsible for the management and delivery of the council's formal decision making meetings. The service also leads on the management and delivering school admission appeals and programme manages the delivery of recommendations arising from Croydon's recent Governance Review.

The Electoral Services team maintains the register of electors and organises the running of elections and referenda

MOVEMENT IN NET EXPENDITURE

COST CENTRE	SERVICE	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	Other (C) £000's		
C1636Q	Democratic	3,064	12	(413)	2,663	(13)
C1638Q	Electoral	260	3	350	613	136
C1646Q	Leaders Office	155	2	-	157	1
C1690Q	Civic Event Fund	31	-	-	31	-
C1950Q	Legal Business Management	533	6	-	539	1
C1952Q	Litigation And Corporate Legal	(409)	14	-	(395)	(3)
C1954Q	Commercial And Property Legal	(434)	8	(137)	(563)	30
C1956Q	Social Care And Education Legal	(1,071)	22	-	(1,049)	(2)
C1951Q	Information Management	425	7	(64)	368	(13)
	TOTAL NET SPEND	2,554	74	(264)	2,364	(7)

STAFF ESTABLISHMENT NUMBERS

SERVICE	ORIGINAL BUDGET 2019/20	ORIGINAL BUDGET 2020/21	CHANGE IN
	FTE STAFF	FTE STAFF	FTE STAFF
Democratic	9.0	9.5	0.5
Electoral	5.3	5.0	(0.3)
Leaders Office	3.0	3.0	-
Legal Business Management	8.0	12.0	4.0
Litigation And Corporate Legal	12.0	10.0	(2.0)
Commercial And Property Legal	6.2	7.2	1.0
Social Care And Education Legal	16.5	18.8	2.3
Information Management	10.0	10.0	-
TOTAL FTE STAFF	70.0	75.5	5.5

**RESOURCES
LAW AND GOVERNANCE**

DIVISION SUBJECTIVE SUMMARY

COST CENTRE: C1675P

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
3,606	Employees	3,399	67	15	3,481	2
108	Premises related expenditure	7	-	-	7	-
2,473	Supplies and Services	2,006	-	388	2,394	19
1	Third Party Payments	6	-	150	156	2,500
-	Transfer Payments	-	-	-	-	n/a
18	Transport related expenditure	34	-	-	34	-
202	Recharges from other services	37	-	(14)	23	(38)
6,408	TOTAL EXPENDITURE	5,489	67	539	6,095	11
(257)	Government Grants	-	-	-	-	n/a
(105)	Other Grants, reimbursements and contributions	-	-	-	-	n/a
(50)	Customer and Client Receipts	(13)	-	-	(13)	-
-	Interest Receivable	-	-	-	-	n/a
(4,345)	Recharges to other services	(4,259)	-	(37)	(4,296)	1
(4,757)	TOTAL INCOME	(4,272)	-	(37)	(4,309)	1
1,651	NET CONTROLLABLE COST	1,217	67	502	1,786	47
-	Capital Charges	-	-	-	-	n/a
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
912	Corporate support services bought in	912	-	(702)	210	(77)
912	TOTAL UNCONTROLLABLE COST	912	-	(702)	210	(77)
2,563	NET COST OF SERVICE	2,129	67	(200)	1,996	(6)
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
2,563	TOTAL NET EXPENDITURE	2,129	67	(200)	1,996	(6)

*** OTHER VARIATIONS IN LEVEL OF EXPENDITURE**

£000's

Strategic budget - agreed pressures / service demands	600
Strategic budget - agreed additional income / savings	(137)
Other resource changes	(727)
TOTAL OTHER VARIATIONS IN RESOURCE	(264)

RESOURCES		DIVISION SUBJECTIVE SUMMARY				
LAW AND GOVERNANCE						
DEMOCRATIC						
COST CENTRE: C1636Q						
FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
603	Employees	594	12	16	622	5
6	Premises related expenditure	6	-	-	6	-
1,713	Supplies and Services	1,665	-	287	1,952	17
-	- Third Party Payments	-	-	-	-	n/a
-	- Transfer Payments	-	-	-	-	n/a
6	Transport related expenditure	6	-	-	6	-
34	Recharges from other services	26	-	(14)	12	(54)
2,362	TOTAL EXPENDITURE	2,297	12	289	2,598	13
-	- Government Grants	-	-	-	-	n/a
-	- Other Grants, reimbursements and contributions	-	-	-	-	n/a
(13)	Customer and Client Receipts	(13)	-	-	(13)	-
-	- Interest Receivable	-	-	-	-	n/a
(207)	Recharges to other services	(132)	-	-	(132)	-
(220)	TOTAL INCOME	(145)	-	-	(145)	-
2,142	NET CONTROLLABLE COST	2,152	12	289	2,453	14
-	- Capital Charges	-	-	-	-	n/a
-	- Intangible Charges	-	-	-	-	n/a
-	- REFCUS	-	-	-	-	n/a
912	Corporate support services bought in	912	-	(702)	210	(77)
912	TOTAL UNCONTROLLABLE COST	912	-	(702)	210	(77)
3,054	NET COST OF SERVICE	3,064	12	(413)	2,663	(13)
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
3,054	TOTAL NET EXPENDITURE	3,064	12	(413)	2,663	(13)
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
Governance Review Implementation						250
						250
<u>Strategic budget - agreed additional income / savings</u>						
						-
<u>Other resource changes</u>						
Realignment of base budgets						39
Decrease in Corporate Services Bought-In Expenditure						(702)
						(663)
TOTAL OTHER VARIATIONS IN RESOURCE						(413)

RESOURCES		DIVISION SUBJECTIVE SUMMARY				
LAW AND GOVERNANCE						
ELECTORAL						
COST CENTRE: C1638Q						
FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
379	Employees	164	3	99	266	62
100	Premises related expenditure	1	-	-	1	-
519	Supplies and Services	90	-	101	191	112
1	Third Party Payments	5	-	150	155	3,000
-	Transfer Payments	-	-	-	-	n/a
-	Transport related expenditure	-	-	-	-	n/a
14	Recharges from other services	-	-	-	-	n/a
1,013	TOTAL EXPENDITURE	260	3	350	613	136
(257)	Government Grants	-	-	-	-	n/a
(105)	Other Grants, reimbursements and contributions	-	-	-	-	n/a
(37)	Customer and Client Receipts	-	-	-	-	n/a
-	Interest Receivable	-	-	-	-	n/a
-	Recharges to other services	-	-	-	-	n/a
(399)	TOTAL INCOME	-	-	-	-	n/a
614	NET CONTROLLABLE COST	260	3	350	613	136
-	Capital Charges	-	-	-	-	n/a
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
-	Corporate support services bought in	-	-	-	-	n/a
-	TOTAL UNCONTROLLABLE COST	-	-	-	-	n/a
614	NET COST OF SERVICE	260	3	350	613	136
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
614	TOTAL NET EXPENDITURE	260	3	350	613	136
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
Cost of providing support to UASC population						350
						350
<u>Strategic budget - agreed additional income / savings</u>						
						-
<u>Other resource changes</u>						
						-
TOTAL OTHER VARIATIONS IN RESOURCE						350

RESOURCES
LAW AND GOVERNANCE
MAYORS OFFICE

DIVISION SUBJECTIVE SUMMARY

COST CENTRE: C1646Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
164	Employees	104	2	-	106	2
1	Premises related expenditure	-	-	-	-	n/a
25	Supplies and Services	24	-	-	24	-
-	- Third Party Payments	-	-	-	-	n/a
-	- Transfer Payments	-	-	-	-	n/a
11	Transport related expenditure	27	-	-	27	-
3	Recharges from other services	-	-	-	-	n/a
204	TOTAL EXPENDITURE	155	2	-	157	1
-	- Government Grants	-	-	-	-	n/a
-	- Other Grants, reimbursements and contributions	-	-	-	-	n/a
-	- Customer and Client Receipts	-	-	-	-	n/a
-	- Interest Receivable	-	-	-	-	n/a
-	- Recharges to other services	-	-	-	-	n/a
-	TOTAL INCOME	-	-	-	-	n/a
204	NET CONTROLLABLE COST	155	2	-	157	1
-	- Capital Charges	-	-	-	-	n/a
-	- Intangible Charges	-	-	-	-	n/a
-	- REFCUS	-	-	-	-	n/a
-	- Corporate support services bought in	-	-	-	-	n/a
-	TOTAL UNCONTROLLABLE COST	-	-	-	-	n/a
204	NET COST OF SERVICE	155	2	-	157	1
-	- Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	- Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	- Financing of Capital Expenditure	-	-	-	-	n/a
-	- Provision for Repayment of External Loans	-	-	-	-	n/a
-	- Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
204	TOTAL NET EXPENDITURE	155	2	-	157	1
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						-
<u>Strategic budget - agreed additional income / savings</u>						-
<u>Other resource changes</u>						-
TOTAL OTHER VARIATIONS IN RESOURCE						-

RESOURCES **DIVISION SUBJECTIVE SUMMARY**
LAW AND GOVERNANCE
CIVIC EVENT FUND SUMMARY
COST CENTRE: C1690Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
-	Employees	-	-	-	-	n/a
1	Premises related expenditure	-	-	-	-	n/a
27	Supplies and Services	30	-	-	30	-
-	Third Party Payments	1	-	-	1	-
-	Transfer Payments	-	-	-	-	n/a
-	Transport related expenditure	-	-	-	-	n/a
4	Recharges from other services	-	-	-	-	n/a
32	TOTAL EXPENDITURE	31	-	-	31	-
-	Government Grants	-	-	-	-	n/a
-	Other Grants, reimbursements and contributions	-	-	-	-	n/a
-	Customer and Client Receipts	-	-	-	-	n/a
-	Interest Receivable	-	-	-	-	n/a
-	Recharges to other services	-	-	-	-	n/a
-	TOTAL INCOME	-	-	-	-	n/a
32	NET CONTROLLABLE COST	31	-	-	31	-
-	Capital Charges	-	-	-	-	n/a
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
-	Corporate support services bought in	-	-	-	-	n/a
-	TOTAL UNCONTROLLABLE COST	-	-	-	-	n/a
32	NET COST OF SERVICE	31	-	-	31	-
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
32	TOTAL NET EXPENDITURE	31	-	-	31	-
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						-
<u>Strategic budget - agreed additional income / savings</u>						-
<u>Other resource changes</u>						-
TOTAL OTHER VARIATIONS IN RESOURCE						-

RESOURCES **DIVISION SUBJECTIVE SUMMARY**
LAW AND GOVERNANCE
LEGAL BUSINESS MANAGEMENT
COST CENTRE: C1950Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
566	Employees	324	6	-	330	2
-	- Premises related expenditure	-	-	-	-	n/a
184	Supplies and Services	197	-	-	197	-
-	- Third Party Payments	-	-	-	-	n/a
-	- Transfer Payments	-	-	-	-	n/a
1	Transport related expenditure	1	-	-	1	-
11	Recharges from other services	11	-	-	11	-
762	TOTAL EXPENDITURE	533	6	-	539	1
-	- Government Grants	-	-	-	-	n/a
-	- Other Grants, reimbursements and contributions	-	-	-	-	n/a
-	- Customer and Client Receipts	-	-	-	-	n/a
-	- Interest Receivable	-	-	-	-	n/a
(11)	Recharges to other services	-	-	-	-	n/a
(11)	TOTAL INCOME	-	-	-	-	n/a
751	NET CONTROLLABLE COST	533	6	-	539	1
-	- Capital Charges	-	-	-	-	n/a
-	- Intangible Charges	-	-	-	-	n/a
-	- REFCUS	-	-	-	-	n/a
-	- Corporate support services bought in	-	-	-	-	n/a
-	TOTAL UNCONTROLLABLE COST	-	-	-	-	n/a
751	NET COST OF SERVICE	533	6	-	539	1
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
751	TOTAL NET EXPENDITURE	533	6	-	539	1
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
<u>Strategic budget - agreed additional income / savings</u>						-
<u>Other resource changes</u>						-
TOTAL OTHER VARIATIONS IN RESOURCE						-

RESOURCES **DIVISION SUBJECTIVE SUMMARY**
LAW AND GOVERNANCE
LITIGATION AND CORPORATE LEGAL
COST CENTRE: C1952Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
565	Employees	675	14	-	689	2
-	- Premises related expenditure	-	-	-	-	n/a
2	Supplies and Services	-	-	-	-	n/a
-	- Third Party Payments	-	-	-	-	n/a
-	- Transfer Payments	-	-	-	-	n/a
-	- Transport related expenditure	-	-	-	-	n/a
6	Recharges from other services	-	-	-	-	n/a
573	TOTAL EXPENDITURE	675	14	-	689	2
-	- Government Grants	-	-	-	-	n/a
-	- Other Grants, reimbursements and contributions	-	-	-	-	n/a
-	- Customer and Client Receipts	-	-	-	-	n/a
-	- Interest Receivable	-	-	-	-	n/a
(1,084)	Recharges to other services	(1,084)	-	-	(1,084)	-
(1,084)	TOTAL INCOME	(1,084)	-	-	(1,084)	-
(511)	NET CONTROLLABLE COST	(409)	14	-	(395)	(3)
-	- Capital Charges	-	-	-	-	n/a
-	- Intangible Charges	-	-	-	-	n/a
-	- REFCUS	-	-	-	-	n/a
-	- Corporate support services bought in	-	-	-	-	n/a
-	TOTAL UNCONTROLLABLE COST	-	-	-	-	n/a
(511)	NET COST OF SERVICE	(409)	14	-	(395)	(3)
-	- Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	- Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	- Financing of Capital Expenditure	-	-	-	-	n/a
-	- Provision for Repayment of External Loans	-	-	-	-	n/a
-	- Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
(511)	TOTAL NET EXPENDITURE	(409)	14	-	(395)	(3)
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
<u>Strategic budget - agreed additional income / savings</u>						-
<u>Other resource changes</u>						-
						-
						-
TOTAL OTHER VARIATIONS IN RESOURCE						-

RESOURCES		DIVISION SUBJECTIVE SUMMARY				
LAW AND GOVERNANCE						
COMMERCIAL AND PROPERTY LEGAL						
COST CENTRE: C1954Q						
FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
335	Employees	422	8	(100)	330	(22)
-	Premises related expenditure	-	-	-	-	n/a
3	Supplies and Services	-	-	-	-	n/a
-	Third Party Payments	-	-	-	-	n/a
-	Transfer Payments	-	-	-	-	n/a
-	Transport related expenditure	-	-	-	-	n/a
80	Recharges from other services	-	-	-	-	n/a
418	TOTAL EXPENDITURE	422	8	(100)	330	(22)
-	Government Grants	-	-	-	-	n/a
-	Other Grants, reimbursements and contributions	-	-	-	-	n/a
-	Customer and Client Receipts	-	-	-	-	n/a
-	Interest Receivable	-	-	-	-	n/a
(856)	Recharges to other services	(856)	-	(37)	(893)	4
(856)	TOTAL INCOME	(856)	-	(37)	(893)	4
(438)	NET CONTROLLABLE COST	(434)	8	(137)	(563)	30
-	Capital Charges	-	-	-	-	n/a
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
-	Corporate support services bought in	-	-	-	-	n/a
-	TOTAL UNCONTROLLABLE COST	-	-	-	-	n/a
(438)	NET COST OF SERVICE	(434)	8	(137)	(563)	30
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
(438)	TOTAL NET EXPENDITURE	(434)	8	(137)	(563)	30
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
<u>Strategic budget - agreed additional income / savings</u>						
Restructure of Staff in Legal and Governance division						(100)
Effective Corporate Centre						(23)
Supplies and services reduction						(14)
<u>Other resource changes</u>						(137)
TOTAL OTHER VARIATIONS IN RESOURCE						(137)

RESOURCES **DIVISION SUBJECTIVE SUMMARY**
LAW AND GOVERNANCE
SOCIAL CARE AND EDUCATION LEGAL
COST CENTRE: C1956Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
994	Employees	1,116	22	-	1,138	2
-	Premises related expenditure	-	-	-	-	n/a
-	Supplies and Services	-	-	-	-	n/a
-	Third Party Payments	-	-	-	-	n/a
-	Transfer Payments	-	-	-	-	n/a
-	Transport related expenditure	-	-	-	-	n/a
50	Recharges from other services	-	-	-	-	n/a
1,044	TOTAL EXPENDITURE	1,116	22	-	1,138	2
-	Government Grants	-	-	-	-	n/a
-	Other Grants, reimbursements and contributions	-	-	-	-	n/a
-	Customer and Client Receipts	-	-	-	-	n/a
-	Interest Receivable	-	-	-	-	n/a
(2,187)	Recharges to other services	(2,187)	-	-	(2,187)	-
(2,187)	TOTAL INCOME	(2,187)	-	-	(2,187)	-
(1,143)	NET CONTROLLABLE COST	(1,071)	22	-	(1,049)	(2)
-	Capital Charges	-	-	-	-	n/a
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
-	Corporate support services bought in	-	-	-	-	n/a
-	TOTAL UNCONTROLLABLE COST	-	-	-	-	n/a
(1,143)	NET COST OF SERVICE	(1,071)	22	-	(1,049)	(2)
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
(1,143)	TOTAL NET EXPENDITURE	(1,071)	22	-	(1,049)	(2)
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
<u>Strategic budget - agreed additional income / savings</u>						-
<u>Other resource changes</u>						-
TOTAL OTHER VARIATIONS IN RESOURCE						-

RESOURCES		DIVISION SUBJECTIVE SUMMARY				
LAW AND GOVERNANCE						
INFORMATION MANAGEMENT						
COST CENTRE: C1951Q						
FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
351	Employees	423	7	(64)	366	(13)
-	Premises related expenditure	-	-	-	-	n/a
19	Supplies and Services	2	-	-	2	-
-	Third Party Payments	-	-	-	-	n/a
-	Transfer Payments	-	-	-	-	n/a
-	Transport related expenditure	-	-	-	-	n/a
-	Recharges from other services	-	-	-	-	n/a
370	TOTAL EXPENDITURE	425	7	(64)	368	(13)
-	Government Grants	-	-	-	-	n/a
-	Other Grants, reimbursements and contributions	-	-	-	-	n/a
-	Customer and Client Receipts	-	-	-	-	n/a
-	Interest Receivable	-	-	-	-	n/a
-	Recharges to other services	-	-	-	-	n/a
-	TOTAL INCOME	-	-	-	-	n/a
370	NET CONTROLLABLE COST	425	7	(64)	368	(13)
-	Capital Charges	-	-	-	-	n/a
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
-	Corporate support services bought in	-	-	-	-	n/a
-	TOTAL UNCONTROLLABLE COST	-	-	-	-	n/a
370	NET COST OF SERVICE	425	7	(64)	368	(13)
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
370	TOTAL NET EXPENDITURE	425	7	(64)	368	(13)
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						-
<u>Strategic budget - agreed additional income / savings</u>						-
<u>Other resource changes</u>						-
Transfer of Budget to Croydon Design Service (see RED 6.5)						(64)
						(64)
TOTAL OTHER VARIATIONS IN RESOURCE						(64)

SERVICE DESCRIPTION

The Strategy and Partnership areas comprises of 2 service areas:. These include:

The Communications and Engagment service supports the council in promoting the borough as a fantastic place to live, work, learn and visit; using strategic internal and external communications and public engagement campaigns that inform, involve and change behaviour, and comprehensive media relations to champion Croydon locally and nationally, and protect its reputation.

The Communities and Policy team support the council in achieving its vision through strategic planning, policy development and its relationships with strategic partners and voluntary and community sector groups. The team also manages a range of grant programmes delivering against corporate priorities.

MOVEMENT IN NET EXPENDITURE

COST CENTRE	SERVICE	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	Other (C) £000's		
C1900Q	Communities And Policy	1,088	16	(914)	190	(83)
	TOTAL NET SPEND	1,088	16	(914)	190	(83)

STAFF ESTABLISHMENT NUMBERS

SERVICE	ORIGINAL BUDGET 2019/20 FTE STAFF	ORIGINAL BUDGET 2020/21 FTE STAFF	CHANGE IN FTE STAFF
Communities And Policy	10.5	15.0	4.5
TOTAL FTE STAFF	10.5	15.0	4.5

COST CENTRE: C1900P

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
986	Employees	824	16	22	862	5
5	Premises related expenditure	-	-	-	-	n/a
2,190	Supplies and Services	16	-	-	16	-
350	Third Party Payments	2,290	-	57	2,347	2
-	Transfer Payments	122	-	(122)	-	(100)
1	Transport related expenditure	-	-	-	-	n/a
(56)	Recharges from other services	-	-	-	-	n/a
3,476	TOTAL EXPENDITURE	3,252	16	(43)	3,225	(1)
(60)	Government Grants	-	-	-	-	n/a
(3)	Other Grants, reimbursements and contributions	-	-	-	-	n/a
-	Customer and Client Receipts	-	-	-	-	n/a
-	Interest Receivable	-	-	-	-	n/a
(682)	Recharges to other services	(480)	-	(38)	(518)	8
(745)	TOTAL INCOME	(480)	-	(38)	(518)	8
2,731	NET CONTROLLABLE COST	2,772	16	(81)	2,707	(2)
-	Capital Charges	-	-	-	-	n/a
-	Intangible Charges	-	-	-	-	n/a
576	REFCUS	576	-	-	576	-
(2,260)	Corporate support services bought in	(2,260)	-	(833)	(3,093)	37
(1,684)	TOTAL UNCONTROLLABLE COST	(1,684)	-	(833)	(2,517)	49
1,047	NET COST OF SERVICE	1,088	16	(914)	190	(83)
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
1,047	TOTAL NET EXPENDITURE	1,088	16	(914)	190	(83)
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
Strategic budget - agreed pressures / service demands						-
Strategic budget - agreed additional income / savings						(81)
Other resource changes						(833)
TOTAL OTHER VARIATIONS IN RESOURCE						(914)

**RESOURCES
STRATEGY AND PARTNERSHIPS
COMMUNITIES AND POLICY**

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C1900Q

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
986	Employees	824	16	22	862	5
5	Premises related expenditure	-	-	-	-	n/a
2,190	Supplies and Services	16	-	-	16	-
350	Third Party Payments	2,290	-	57	2,347	2
-	Transfer Payments	122	-	(122)	-	(100)
1	Transport related expenditure	-	-	-	-	n/a
(56)	Recharges from other services	-	-	-	-	n/a
3,476	TOTAL EXPENDITURE	3,252	16	(43)	3,225	(1)
(60)	Government Grants	-	-	-	-	n/a
(3)	Other Grants, reimbursements and contributions	-	-	-	-	n/a
-	Customer and Client Receipts	-	-	-	-	n/a
-	Interest Receivable	-	-	-	-	n/a
(682)	Recharges to other services	(480)	-	(38)	(518)	8
(745)	TOTAL INCOME	(480)	-	(38)	(518)	8
2,731	NET CONTROLLABLE COST	2,772	16	(81)	2,707	(2)
-	Capital Charges	-	-	-	-	n/a
-	Intangible Charges	-	-	-	-	n/a
576	REFCUS	576	-	-	576	-
(2,260)	Corporate support services bought in	(2,260)	-	(833)	(3,093)	37
(1,684)	TOTAL UNCONTROLLABLE COST	(1,684)	-	(833)	(2,517)	49
1,047	NET COST OF SERVICE	1,088	16	(914)	190	(83)
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
1,047	TOTAL NET EXPENDITURE	1,088	16	(914)	190	(83)
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
						-
<u>Strategic budget - agreed additional income / savings</u>						
Maintain vacancy in communities team						(40)
Effective Corporate Centre						(17)
Supplies and services reduction						(24)
						(81)
<u>Other resource changes</u>						
Increase in Corporate Services Bought In						(833)
						(833)
TOTAL OTHER VARIATIONS IN RESOURCE						(914)

HOUSING REVENUE ACCOUNT

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KEY SERVICE TARGETS / PRIORITIES FOR 2020/21

Croydon's Housing Strategy sets out the following key priorities (funded both from the General Fund and the Housing Revenue Account):

- 1) Maximise the supply of affordable housing, meet housing need and reduce the number of households in temporary accommodation
- 2) Promote independent living for vulnerable people
- 3) Improve housing conditions to ensure a decent home for all and maintain the Decent Homes Standard for council Housing
- 4) Promote better and fair access to housing services
- 5) Develop sustainable communities

FINANCIAL PERFORMANCE

COST CENTRE: C2000M

DESCRIPTION	ACTUAL 2018/19 £000	ORIGINAL 2019/20 £000	FORECAST 2019/20 £000	BUDGET 2020/21 £000	% CHANGE %
Employees	16,288	14,358	13,935	13,977	0
Premises related expenditure	22,623	24,199	17,840	18,904	6
Supplies and Services	4,403	2,352	2,974	2,511	(16)
Third Party Payments	478	407	349	407	17
Transfer Payments	658	156	679	156	(77)
Transport related expenditure	42	33	37	29	(22)
Capital Charges	31,929	36,721	36,694	35,776	(3)
Intangible Charges		128	128	59	(54)
REFCUS		180	180	180	-
Corporate support services bought in	7,101	6,705	6,705	6,705	-
Recharges from other services	7,304	6,376	6,555	9,347	43
TOTAL EXPENDITURE	90,826	91,615	86,076	88,051	2
Government Grants		-	(45)	-	(100)
Other Grants, reimbursements and contributions	(203)	(209)	(143)	(209)	46
Customer and Client Receipts	(89,132)	(89,579)	(83,659)	(85,771)	3
Interest Receivable	(1)	(20)	-	(20)	n/a
Recharges to other services	(2,226)	(1,807)	(2,154)	(2,051)	(5)
TOTAL INCOME	(91,562)	(91,615)	(86,001)	(88,051)	2
NET EXPENDITURE	(736)	-	75	-	(100)
Contributions to / (from) Reserves		-		-	n/a
CURRENT BUDGET	-		-		
TOTAL VARIANCE FROM BUDGET- Over/(Under)	(736)		75		

TOP FINANCIAL RISKS 2019/20

- 1) Outcome of Government consultations impacting on use of receipts from Right to Buy sales and Social Housing green papers
- 2) Water collection charges court case ongoing with potential claims for overpaid rates dating back to 2002. LBC retains a provision of £3.03m

HOUSING REVENUE ACCOUNT

DEPARTMENT SUMMARY

CABINET MEMBER

Councillor Alison Butler	Cabinet Member for Homes and Regeneration
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DEPARTMENT MANAGEMENT TEAM

NAME	TITLE	TEL. EX.
Guy Van Dichele	Executive Director of Health, Wellbeing and Adults	50193
Shifa Mustafa	Executive Director of Place	47575
Stephen Tate	Director - Growth, Employment and Regeneration and Growth Zone	47446
Yvonne Murray	Director - Housing Assessments & Solutions	61576
Steve Iles	Director - Public Realm (Safety - HRA only)	52821

COST CENTRE	DIVISION
C2200N	Housing Assessment and Solutions
C2100N	Council Homes, Districts and Regeneration
C2400N	Directorate & Centralised Costs - HRA

MOVEMENT IN SERVICE NET EXPENDITURE

FORECAST 2019/20 £000's	DIVISION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	Other (C) £000's		
(66,021)	Housing Assessment and Solutions	(66,683)	143	(1,337)	(67,877)	(2)
17,138	Council Homes, Districts and Regeneration	17,185	609	57	17,851	4
48,958	Directorate & Centralised Costs - HRA	49,498	5	523	50,026	1
75	TOTAL NET SPEND	-	757	(757)	-	-

STAFF ESTABLISHMENT NUMBERS

DIVISION	ORIGINAL BUDGET 2019/20 FTE STAFF	ORIGINAL BUDGET 2020/21 FTE STAFF	CHANGE IN FTE FTE STAFF
Housing Assessment and Solutions	177.3	180.5	3.2
Council Homes, Districts and Regeneration	115.5	111.4	(4.1)
Directorate & Centralised Costs - HRA	2.6	2.0	(0.6)
TOTAL FTE STAFF	295.4	293.9	(1.5)

HOUSING REVENUE ACCOUNT

DEPARTMENT SUBJECTIVE SUMMARY

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
13,935	Employees	14,358	257	(638)	13,977	(3)
17,840	Premises related expenditure	24,199	500	(5,795)	18,904	(22)
2,974	Supplies and Services	2,352	-	159	2,511	7
349	Third Party Payments	407	-	-	407	-
679	Transfer Payments	156	-	-	156	-
37	Transport related expenditure	33	-	(4)	29	(12)
6,555	Recharges from other services	6,376	-	2,971	9,347	47
42,369	TOTAL EXPENDITURE	47,881	757	(3,307)	45,331	(5)
(45)	Government Grants	-	-	-	-	n/a
(143)	Other Grants, reimbursements and contributions	(209)	-	-	(209)	-
(83,659)	Customer and Client Receipts	(89,579)	-	3,808	(85,771)	(4)
-	Interest Receivable	(20)	-	-	(20)	-
(2,154)	Recharges to other services	(1,807)	-	(244)	(2,051)	14
(86,001)	TOTAL INCOME	(91,615)	-	3,564	(88,051)	(4)
(43,632)	NET CONTROLLABLE COST	(43,734)	757	257	(42,720)	(2)
36,694	Capital Charges	36,721	-	(945)	35,776	(3)
128	Intangible Charges	128	-	(69)	59	(54)
180	REFCUS	180	-	-	180	-
6,705	Corporate support services bought in	6,705	-	-	6,705	-
43,707	TOTAL UNCONTROLLABLE COST	43,734	-	(1,014)	42,720	(2)
75	NET COST OF SERVICE	-	757	(757)	-	n/a
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
75	TOTAL NET EXPENDITURE	-	757	(757)	-	n/a
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
Strategic budget - agreed pressures / service demands						2,537
Strategic budget - agreed additional income / savings						(2,413)
Other resource changes						(881)
TOTAL OTHER VARIATIONS IN RESOURCE						(757)

HOUSING REVENUE ACCOUNT - HOUSING ASSESSMENT AND SOLUTIONS

DIVISION SUMMARY

SERVICE DESCRIPTION

The HRA Housing Assessment and Solutions Service is made up of the following sections: Service Development , Income and Lettings, Tenancy and Neighbourhood Services, Housing Solutions and Housing Renewals.

Income to the Housing Revenue Account

Income to the Housing Revenue Account derives from four main sources:

- 1) Rental income due from the letting of dwelling and garages met by tenants and direct credits for rent rebates.
- 2) Service charges due to tenants for caretaking and grounds maintenance
- 3) Recharges of energy costs from communal heating schemes
- 4) Service charges to Leaseholders

Service Development

A leaseholder service is responsible for collecting service charges and payments for major works from leaseholders. Collates performance management information on all housing management services and reports regularly to resident scrutiny panel.

The Legal team take legal proceedings for tenancy breaches including: rent arrears, anti-social behaviour, disrepair and unauthorised occupants. Housing standards undertake occupancy checks and tenancy audits. Sustainable communities promote youth involvement, access to work, digital inclusion, money management, outreach work and community development. It collates performance management information on all housing management services and reports regular to resident scrutiny panel.

Income and Lettings

Responsible for rent collection (collection of £77m annually). It provides welfare and debt advice for Council tenants and signs up new tenants and lets Council garages. This part of the Housing Revenue Account budget includes those costs that relate to the general management of the landlord service together with the administration of tenancy applications, rent collection and accounting.

This part of the Housing Revenue Account budget includes those costs that relate to the general management of the landlord service together with the administration of tenancy applications, rent collection and accounting.

Tenancy and Neighbourhood Services

Responsible for tenancy services including enforcement of conditions of tenancy and changes to tenancies. It tackles anti-social behaviour and carries out regular estate inspections. It promotes resident participation and runs a caretaking service. This part of the Housing Revenue Account includes any expenditure which relates only to specific estates rather than the general housing stock. This includes services such as Caretaking and grounds maintenance. The income from the charges made for central heating is credited directly to income and the full cost of the standard space water heating provided will be recovered from tenants.

Housing Solutions

Responsible for the housing and transfer registers, and allocation of social housing (including registered social landlords). It promotes home ownership (right to buy, social home buy and Assisted Purchase Scheme). It provides and manages temporary accommodation and facilitates access to the private sector to prevent and discharge the council's homelessness duty, providing subsequent support to landlords and tenants to sustain tenancies.

Housing Renewal

Responsible for the Major Adaptations Unit and for providing adaptations to council homes to enable older and disabled people to stay in their own homes. A Home Safety service is provided for council tenants with young children to prevent accidents in the home. Also includes the Empty Property Service which assists with returning vacant homes to use, where possible by the council for homeless persons, by providing grant assistance, advice or enforcement

MOVEMENT IN NET EXPENDITURE

COST CENTRE	SERVICE	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	Other (C) £000's		
C2420P	Housing Assessment and Solutions	(66,682)	143	(1,337)	(67,876)	2
	TOTAL NET SPEND	(66,682)	143	(1,337)	(67,876)	2

STAFF ESTABLISHMENT NUMBERS

SERVICE	ORIGINAL BUDGET 2019/20 FTE STAFF	ORIGINAL BUDGET 2020/21 FTE STAFF	CHANGE IN FTE STAFF
Housing Assessment and Solutions - HRA	177.3	180.5	3.2
TOTAL FTE STAFF	177.3	180.5	3.2

COST CENTRE: C2420P

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
7,290	Employees	7,127	140	(350)	6,917	(3)
4,851	Premises related expenditure	11,311	3	(5,805)	5,509	(51)
1,904	Supplies and Services	1,338	-	104	1,442	8
346	Third Party Payments	279	-	-	279	-
679	Transfer Payments	156	-	-	156	-
13	Transport related expenditure	14	-	(1)	13	(7)
2,952	Recharges from other services	2,945	-	1,078	4,023	37
18,035	TOTAL EXPENDITURE	23,170	143	(4,974)	18,339	(21)
-	Government Grants	-	-	-	-	n/a
(143)	Other Grants, reimbursements and contributions	(209)	-	-	(209)	-
(83,650)	Customer and Client Receipts	(89,579)	-	3,808	(85,771)	(4)
-	Interest Receivable	-	-	-	-	n/a
(263)	Recharges to other services	(64)	-	(171)	(235)	267
(84,056)	TOTAL INCOME	(89,852)	-	3,637	(86,215)	(4)
(66,021)	NET CONTROLLABLE COST	(66,682)	143	(1,337)	(67,876)	3
	Capital Charges	-	-	-	-	n/a
	Intangible Charges	-	-	-	-	n/a
	REFCUS	-	-	-	-	n/a
	Corporate support services bought in	-	-	-	-	n/a
-	TOTAL UNCONTROLLABLE COST	-	-	-	-	n/a
(66,021)	NET COST OF SERVICE	(66,682)	143	(1,337)	(67,876)	3
	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
	Financing of Capital Expenditure	-	-	-	-	n/a
	Provision for Repayment of External Loans	-	-	-	-	n/a
	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
(66,021)	TOTAL NET EXPENDITURE	(66,682)	143	(1,337)	(67,876)	3
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
Increase in HRA recharges budget following review of costs borne by General Fund						463
Reduction in Garage and Commercial property rent due to disposals						100
Removal of Thames Water commission as rate collection service is no longer provided by London Borough of Croydon						437
						1,000
<u>Strategic budget - agreed additional income / savings</u>						
Capital receipts income to fund Right To Buy administration costs						(131)
Increase in rental income of 2.7%						(2,282)
						(2,413)
<u>Other resource changes</u>						
Staffing increments						76
						76
TOTAL OTHER VARIATIONS IN RESOURCE						(1,337)

HOUSING REVENUE ACCOUNT - PLACE

DIVISION SUMMARY

The HRA elements of the Place department include the following services:

Council Homes, Districts and Regeneration:

The repairs and maintenance service is responsible for repairs and cyclical maintenance of the Council's housing stock. The service responds to around 65,000 repair requests each year. The repairs service is delivered through a long term partnering contract.

The assets and involvement service is responsible for the council's housing asset management plan, for developing the annual capital programme of planned investment in council homes and for ensuring that tenants and leaseholders are informed and consulted on the priorities for the HRA and works to their homes.

The capital delivery for homes and schools service focuses on delivering major capital works to HRA properties such as energy efficiency, kitchens and bathrooms and security programmes.

Safety-HRA (Managed under Public Realm- Community Safety):

This includes the Safety team for the HRA that contributes to the Council's Neighbourhood Safety team.

MOVEMENT IN NET EXPENDITURE

COST CENTRE	SERVICE	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	Other (C) £000's		
C2125P C2130P	Council Homes, Districts & Regeneration	15,804	592	63	16,459	4
	Safety - HRA	1,381	17	(6)	1,392	1
TOTAL NET SPEND		17,185	609	57	17,851	5

STAFF ESTABLISHMENT NUMBERS

SERVICE	ORIGINAL BUDGET 2019/20 FTE STAFF	ORIGINAL BUDGET 2019/20 FTE STAFF	CHANGE IN FTE STAFF
Council Homes, Districts & Regeneration	96.2	94.2	(2.0)
Safety - HRA	19.3	17.2	(2.1)
TOTAL FTE STAFF	115.5	111.4	(4.1)

**HOUSING REVENUE ACCOUNT
PLACE**

DIVISION SUBJECTIVE SUMMARY

COST CENTRE: C2100N

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
5,268	Employees	5,857	112	(236)	5,733	(2)
11,928	Premises related expenditure	11,827	497	(90)	12,234	3
978	Supplies and Services	618	-	55	673	9
3	Third Party Payments	24	-	-	24	-
-	Transfer Payments	-	-	-	-	n/a
24	Transport related expenditure	19	-	(3)	16	(16)
794	Recharges from other services	559	-	404	963	72
18,995	TOTAL EXPENDITURE	18,904	609	130	19,643	4
-	Government Grants	-	-	-	-	n/a
-	Other Grants, reimbursements and c	-	-	-	-	n/a
(9)	Customer and Client Receipts	-	-	-	-	n/a
-	Interest Receivable	(20)	-	-	(20)	-
(1,848)	Recharges to other services	(1,700)	-	(73)	(1,773)	4
(1,857)	TOTAL INCOME	(1,720)	-	(73)	(1,793)	4

17,138	NET CONTROLLABLE COST	17,184	609	57	17,850	4
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-	Capital Charges	-	-	-	-	n/a
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
-	Corporate support services bought in	-	-	-	-	n/a
-	TOTAL UNCONTROLLABLE COST	-	-	-	-	n/a

17,138	NET COST OF SERVICE	17,184	609	57	17,850	4
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-	Contributions to / (from) Earmarked F	-	-	-	-	n/a
-	Contributions to / (from) Capital Rese	-	-	-	-	n/a
-	Financing of Capital Expenditure	-	-	-	-	n/a
-	Provision for Repayment of Exter	-	-	-	-	n/a
-	Contribution to / (from) General Balan	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a

17,138	TOTAL NET EXPENDITURE	17,184	609	57	17,850	4
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*** OTHER VARIATIONS IN LEVEL OF EXPENDITURE**

	£000's
Strategic budget - agreed pressures / service demands	-
Strategic budget - agreed additional income / savings	-
Other resource changes	57
TOTAL OTHER VARIATIONS IN RESOURCE	57

HOUSING REVENUE ACCOUNT - PLACE
COUNCIL HOMES, DISTRICT AND REGENERATION

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C2125P

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
4,279	Employees	4,965	95	(92)	4,968	0
11,901	Premises related expenditure	11,827	497	(90)	12,234	3
960	Supplies and Services	599	-	55	654	9
3	Third Party Payments	24	-	-	24	-
-	Transfer Payments	-	-	-	-	n/a
15	Transport related expenditure	10	-	-	10	-
282	Recharges from other services	99	-	263	362	266
17,440	TOTAL EXPENDITURE	17,524	592	136	18,252	4
-	Government Grants	-	-	-	-	n/a
(9)	Other Grants, reimbursements and contributions	-	-	-	-	n/a
-	Customer and Client Receipts	-	-	-	-	n/a
-	Interest Receivable	(20)	-	-	(20)	-
(1,848)	Recharges to other services	(1,700)	-	(73)	(1,773)	4
(1,857)	TOTAL INCOME	(1,720)	-	(73)	(1,793)	4
15,583	NET CONTROLLABLE COST	15,804	592	63	16,459	4
	Capital Charges	-			-	n/a
	Intangible Charges	-			-	n/a
	REFCUS	-			-	n/a
	Corporate support services bought in	-			-	n/a
-	TOTAL UNCONTROLLABLE COST	-	-	-	-	n/a
15,583	NET COST OF SERVICE	15,804	592	63	16,459	4
	Contributions to / (from) Earmarked Reserves	-			-	n/a
	Contributions to / (from) Capital Reserves:	-			-	n/a
	Financing of Capital Expenditure	-			-	n/a
	Provision for Repayment of External Loans	-			-	n/a
	Contribution to / (from) General Balances	-			-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
15,583	TOTAL NET EXPENDITURE	15,804	592	63	16,459	4
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						
						-
<u>Strategic budget - agreed additional income / savings</u>						
						-
<u>Other resource changes</u>						
Increase in recharges						63
						63
TOTAL OTHER VARIATIONS IN RESOURCE						63

**HOUSING REVENUE ACCOUNT
SAFETY**

SERVICE SUBJECTIVE SUMMARY

COST CENTRE: C2130P

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
743	Employees	893	17	(144)	766	(14)
-	- Premises related expenditure	-	-	-	-	n/a
18	Supplies and Services	19	-	(1)	18	(5)
-	- Third Party Payments	-	-	-	-	n/a
-	- Transfer Payments	-	-	-	-	n/a
9	Transport related expenditure	9	-	(3)	6	(33)
462	Recharges from other services	460	-	142	602	31
1,232	TOTAL EXPENDITURE	1,381	17	(6)	1,392	1
-	- Government Grants	-	-	-	-	n/a
-	- Other Grants, reimbursements and contributions	-	-	-	-	n/a
-	- Customer and Client Receipts	-	-	-	-	n/a
-	- Interest Receivable	-	-	-	-	n/a
-	- Recharges to other services	-	-	-	-	n/a
-	TOTAL INCOME	-	-	-	-	n/a
1,232	NET CONTROLLABLE COST	1,381	17	(6)	1,392	1
-	Capital Charges	-	-	-	-	n/a
-	Intangible Charges	-	-	-	-	n/a
-	REFCUS	-	-	-	-	n/a
-	Corporate support services bought in	-	-	-	-	n/a
-	TOTAL UNCONTROLLABLE COST	-	-	-	-	n/a
1,232	NET COST OF SERVICE	1,381	17	(6)	1,392	1
-	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
-	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
-	- Financing of Capital Expenditure	-	-	-	-	n/a
-	- Provision for Repayment of External Loans	-	-	-	-	n/a
-	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a
1,232	TOTAL NET EXPENDITURE	1,381	17	(6)	1,392	1
* OTHER VARIATIONS IN LEVEL OF EXPENDITURE						£000's
<u>Strategic budget - agreed pressures / service demands</u>						-
<u>Strategic budget - agreed additional income / savings</u>						-
<u>Other resource changes</u>						(6)
Minor change within service						(6)
TOTAL OTHER VARIATIONS IN RESOURCE						(6)

SERVICE DESCRIPTION

The Directorate and Centralised budgets are used to fund the following items within the HRA:

- Capital charges relating to the HRA asset base (i.e. depreciation, impairment, etc)
- Servicing of HRA debt transferred to the council (including interest, debt repayments, etc)
- Revenue contributions to the funding of the capital programme
- SERCOP charge and other central recharges

MOVEMENT IN NET EXPENDITURE

COST CENTRE	SERVICE	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	Other (C) £000's		
C2400N & C2700N	Directorate & Centralised Costs	49,498	5	523	50,026	1
	TOTAL NET SPEND	49,498	5	523	50,026	1

STAFF ESTABLISHMENT NUMBERS

SERVICE	ORIGINAL BUDGET 2019/20 FTE STAFF	ORIGINAL BUDGET 2020/21 FTE STAFF	CHANGE IN FTE STAFF
Directorate & Centralised Costs	2.6	2.0	(0.6)
TOTAL FTE STAFF	2.6	2.0	(0.6)

HOUSING REVENUE ACCOUNT
DIRECTORATE & CENTRALISED COSTS

DIVISION SUBJECTIVE SUMMARY

COST CENTRE: C2400N + C2700N

FORECAST 2019/20 £000's	DESCRIPTION	ORIGINAL BUDGET 2019/20 (A) £000's	Variations in Level of Expenditure on (A)		ORIGINAL BUDGET 2020/21 (D) £000's	% CHANGE (E) %
			Inflation (B) £000's	* Other (C) £000's		
1,377	Employees	1,374	5	(52)	1,327	(3)
1,061	Premises related expenditure	1,061	-	100	1,161	9
92	Supplies and Services	396	-	-	396	-
-	- Third Party Payments	104	-	-	104	-
-	- Transfer Payments	-	-	-	-	n/a
-	- Transport related expenditure	-	-	-	-	n/a
2,809	Recharges from other services	2,872	-	1,489	4,361	52
5,339	TOTAL EXPENDITURE	5,807	5	1,537	7,349	27
(45)	Government Grants	-	-	-	-	n/a
-	- Other Grants, reimbursements and contributions	-	-	-	-	n/a
-	- Customer and Client Receipts	-	-	-	-	n/a
-	- Interest Receivable	-	-	-	-	n/a
(43)	Recharges to other services	(43)	-	-	(43)	-
(88)	TOTAL INCOME	(43)	-	-	(43)	-

5,251	NET CONTROLLABLE COST	5,764	5	1,537	7,306	27
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36,694	Capital Charges	36,721	-	(945)	35,776	(3)
128	Intangible Charges	128	-	(69)	59	(54)
180	REFCUS	180	-	-	180	-
6,705	Corporate support services bought in	6,705	-	-	6,705	-
43,707	TOTAL UNCONTROLLABLE COST	43,734	-	(1,014)	42,720	(2)

48,958	NET COST OF SERVICE	49,498	5	523	50,026	1
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	Contributions to / (from) Earmarked Reserves	-	-	-	-	n/a
	Contributions to / (from) Capital Reserves:	-	-	-	-	n/a
	Financing of Capital Expenditure	-	-	-	-	n/a
	Provision for Repayment of External Loans	-	-	-	-	n/a
	Contribution to / (from) General Balances	-	-	-	-	n/a
-	TOTAL APPROPRIATIONS	-	-	-	-	n/a

48,958	TOTAL NET EXPENDITURE	49,498	5	523	50,026	1
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* OTHER VARIATIONS IN LEVEL OF EXPENDITURE	£000's
<u>Strategic budget - agreed pressures / service demands</u>	
Increase in HRA recharges budget following review of costs borne by General Fund	1,537
	1,537
<u>Strategic budget - agreed additional income / savings</u>	
	-
<u>Other resource changes</u>	
Reduction in revenue contribution to capital costs	(1,014)
	(1,014)
TOTAL OTHER VARIATIONS IN RESOURCE	523

CAPITAL PROGRAMME

CONTENTS

	Page
FUNDING	CP1
DETAILED PROGRAMME	CP2

Capital Programme Funding 2021/21 to 2022/23

Funding	Budget 2020/21	Budget 2021/22	Budget 2022/23	Total 2020/21 to 2022/23
	£000's	£000's	£000's	£000's
ESFA	9,000	5,365	-	14,365
School Condition Funding	2,000	2,000	2,000	6,000
Disabled Facilities Grant	2,400	2,400	2,400	7,200
TFL LIP and other funding	2,462	2,000	2,000	6,462
NHS	5,000	-	-	5,000
CIL	6,800	6,800	6,800	20,400
CIL local meaningful proportion	576	576	576	1,728
ECVP external funder	600	600		1,200
Borrowing	42,198	46,249	14,768	103,215
Borrowing - (RIF) - BXB and Affordable Homes	115,510	107,700	-	223,210
Borrowing - Asset Acquisition Fund	100,000	-	-	100,000
Borrowing - Growth Zone	15,000	36,000	32,000	83,000
GENERAL FUND	301,546	209,690	60,544	571,780
Major Repairs Allowance	12,506	21,209	21,209	54,924
HRA - Revenue Contribution	11,150	1,742	1,742	14,634
HRA - Use Of Reserves	3,295	4,000	4,000	11,295
GLA Funding of BxB Properties	3,500	5,200		8,700
Borrowing BxB Properties	5,250	7,800		13,050
HRA FUNDING	35,701	39,951	26,951	102,603
TOTAL FUNDING	337,247	249,641	87,495	674,383
UNDER/OVER FUNDING OF PROGRAMME	-	-	-	-

DRAFT CAPITAL PROGRAMME				
Description	Budget 2020/21	Budget 2021/22	Budget 2022/23	Total 2020/21 to 2022/23
	£000's	£000's	£000's	£000's
Angel Lodge conversion to MHO	100	0	0	100
Disabled Facilities Grant	2,400	2,400	2,400	7,200
Provider Services - Extra Care	500	-	0	500
Health, Wellbeing and Adults	3,000	2,400	2,400	7,800
Education - Fixed Term Expansions	59	90	0	149
Education - Fire Safety Works	1,000	0	0	1,000
Education - Major Maintenance	2,882	2,000	2,000	6,882
Education - Miscellaneous	1,444	228	0	1,672
Education - Permanent Expansion	1,091	959	0	2,050
Education - Secondary Estate	0	0	0	0
Education - SEN	18,807	8,568	0	27,375
Children, Families and Education Sub Total	25,283	11,845	2,000	39,128
Affordable Homes programme	40,000	0	0	40,000
RIF - Brick by Brick Borrowing	75,510	107,700	0	183,210
Community Ward Budgets	576	576	576	1,728
Devolution initiatives	912	912	912	2,736
Electric Vehicle Charging Points - Council Element	2,400	2,400	0	4,800
Empty Homes Grants	500	500	500	1,500
Feasibility Fund	330	330	330	990
Fiveways junction	0	3,000	2,000	5,000
Growth Zone	15,000	36,000	32,000	83,000
Grounds Maintenance Insourced Equipment	1,500	0	0	1,500
Highways - Maintenance Programme	6,000	6,000	6,000	18,000
Highways - Maintenance Programme	567	567	567	1,701
Highways - flood water management	565	535	505	1,605
Highways - bridges and highways structures	575	9,950	800	11,325
Highways - Tree works	299	179	179	657
Libraries Investment	650	1,500	0	2,150
Neighbourhood Support Safety Measures	50	0	0	50
New Addington wellbeing centre	3,000	12,000	0	15,000
Sustainability Programme	2,500	2,500	2,500	7,500
Parking	2,825	475	475	3,775
Safety - Digital Upgrade of CCTV	250	0	0	250
SEN Transport	1,460	0	0	1,460
TFL - LIP	2,462	2,000	2,000	6,462
Walking and cycling strategy	750	0	0	750
Waste and Recycling - Don't Mess with Croydon	768	0	0	768
Place sub-total	159,449	187,124	49,344	395,917
Asset Acquisition Fund	100,000	0	0	100,000
Corporate Property	2,000	2,000	2,000	6,000
ICT Refresh & Transformation	6,200	4,800	4,800	15,800
People ICT Programme	2,014	1,521	0	3,535
Uniform ICT upgrade	3,600	0	0	3,600
Resources sub-total	113,814	8,321	6,800	128,935
General Fund	301,546	209,690	60,544	571,780
Major Repairs and Improvements Programme	26,771	26,771	26,771	80,313
Special Transfer Payments	180	180	180	540
BxB Properties transferring to LBC funded GF and HRA	8,750	13,000	0	21,750
HRA Total	35,701	39,951	26,951	102,603
Capital Programme Total	337,247	249,641	87,495	674,383

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SUMMARY OF REVENUE ESTIMATES - FINANCIAL STRATEGY PLANNING MODEL

SERVICE DEPARTMENT	2020/21 Budget £'m
Health, Wellbeing and Adults	100.149
Children, Families and Education	132.533
Place	61.497
Resources	13.296
Corporate Items	5.611
NET EXPENDITURE	313.086
Contribution to provisions for Doubtful Debts	0.180
Interest (Net)	13.836
Deferred Charges	(1.907)
Revenue Expenditure Funded by Capital Under Statute (REFCUS)	(3.806)
Capital Asset Charges Adjustment	(21.305)
Contingency	3.747
Core Grants	(33.033)
Levies	1.474
Contribution to / (from) General Balances	5.000
Budget Gap	0.000
TOTAL ADJUSTED BUDGET REQUIREMENT	277.272
Financed by:	
Revenue Support Grant	14.127
Business Rates Top Up Grant	34.192
Business Rates Income	37.348
Collection Fund Surplus/Deficit	(1.121)
Croydon Tax Element	192.726
Greater London Authority Precept Element	44.075
TOTAL COUNCIL TAX REQUIREMENT	236.801

Note one - year budget as only a one year funding settlement

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COUNCIL TAX INCREASES

Band	2019/20 Croydon Council Tax £	2019/20 Croydon Adult Social Care Precept £	2019/20 Croydon Tax £	2019/20 GLA Precept Draft £	2019/20 Overall Tax £
A	864.89	65.99	930.88	213.67	1,144.55
B	1,009.03	76.98	1,086.01	249.29	1,335.30
C	1,153.18	87.98	1,241.16	284.90	1,526.06
D	1,297.33	98.98	1,396.31	320.51	1,716.82
E	1,585.63	120.98	1,706.61	391.73	2,098.34
F	1,873.92	142.97	2,016.89	462.96	2,479.85
G	2,162.22	164.97	2,327.19	534.18	2,861.37
H	2,594.66	197.96	2,792.62	641.02	3,433.64

2,594.66

2020/21 Croydon Council Tax £	2020/21 Croydon Adult Social Care Precept £	2020/21 Croydon Tax £	2020/21 GLA Precept Draft £	2020/21 Overall Tax £
883.41	84.61	968.02	221.38	1,189.40
1,030.65	98.71	1,129.36	258.28	1,387.64
1,177.88	112.81	1,290.69	295.17	1,585.87
1,325.12	126.91	1,452.03	332.07	1,784.10
1,619.59	155.11	1,774.70	405.86	2,180.56
1,914.06	183.31	2,097.37	479.66	2,577.03
2,208.53	211.52	2,420.05	553.45	2,973.50
2,650.24	253.82	2,904.06	664.14	3,568.20

Band D % Change			
Croydon Council Tax	Croydon Adult Social Care Precept	GLA Precept	Overall Increase
1.99%	2.00%	3.60%	3.92%
£27.79	£27.93	£11.56	£67.28
£0.53	£0.54	£0.22	£1.29
			Per Annum
			Per Week

2020/21 BAND	Annual increase £	Weekly Increase £
A	44.85	0.86
B	52.34	1.01
C	59.81	1.15
D	67.28	1.29
E	82.22	1.58
F	97.18	1.87
G	112.13	2.16
H	134.56	2.59

OVERALL CHANGE
3.92%

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RECOMMENDATIONS FOR COUNCIL TAX REQUIREMENT 2020/21

The Cabinet has considered a report in respect of the level of Council Tax for 2020/21 and the setting of the Council's Revenue and Capital Budgets for the forthcoming financial year. The Cabinet also had copies of the draft Budget Book for 2020/21.

In summary, the Cabinet recommends to the Council a 2020/21 Council Tax at Band D for Croydon purposes of £1,325.12, in addition a 2.0% increase for the Adult Social Care Levy £126.91, GLA Precept of £332.07, giving an overall Band D charge, £1,784.10, a 1.99% increase for Croydon Council, a 2.00% increase for the adult social care levy and a 3.6% increase for the GLA.

Following detailed consideration, the Cabinet recommends that the Council should:

- (1) Approve the 2020/21 Revenue Budget of £277.272m, an increase in budget requirement of 2.5%
- (2) Approve the 2020/21 Council Tax Requirement of £192.726m.

Appendix E
Cabinet 24th February 2020

Calculation of Council Tax Requirement		£'000	£'000	£'000
(A)	Expenditure and other charges (as set out in section 31A(2) (a) to (f) of the Act)			
(i)	expenditure on Croydon's services, local precepts and levies		819,699	
(ii)	allowance for contingencies		3,747	
(iii)	transfer to General Reserves		5,000	
(iv)	transfer to Earmarked Reserves		0	
(v)	transfer from the General Fund from the Collection Fund in respect of prior year deficit on the Collection Fund,		1,121	
				829,567
(B)	<i>Less</i> Income and other credit items (in Section 31A(3) (a) to (d) of the Act)			
(i)	Income from services		518,141	
(ii)	Transfer to the General Fund from the Collection Fund in respect of prior year surplus on the Collection Fund,			
(iii)	Income from Government			
	Core Grants	33,033		
	Business Rates Top Up Grant	34,192		
	Business Rates Income	37,348		
	Revenue Support Grant	14,127		
			118,700	636,841
(C)	<i>Equals</i> The Council Tax Requirement, i.e. the amount by which the expenditure and other charges exceed the income and other credits.* This is (A) above less(B) above (as per Section 31A(4) of the Act)			192,726
Calculation of basic amount of council tax				
(C)	Council Tax Requirement			192,726
(D)	<i>Divided by</i> The Council's Tax base			132,729
(E)	<i>Equals</i> The Basic amount of Council Tax (i.e., the Council Tax for a Band D property to which no relief or exemption is applicable) for services charged to Croydon's General Fund (This is (C) above divided by the tax base at (D) as per Section 31(B) of the Act)			1,452.03

* The exact figure is

£192,726,489.87

(F) The tax for different bands calculated as follows (as per Section 36(1) of the Act):

Council Tax for Croydon for 2020/21	
Band A	6/9 x £1,452.03 = £968.02
Band B	7/9 x £1,452.03 = £1,129.36
Band C	8/9 x £1,452.03 = £1,290.69
Band D	9/9 x £1,452.03 = £1,452.03
Band E	11/9 x £1,452.03 = £1,774.70
Band F	13/9 x £1,452.03 = £2,097.37
Band G	15/9 x £1,452.03 = £2,420.05
Band H	18/9 x £1,452.03 = £2,904.06

(G) to which is added the following precept (issued by the Mayor of London, in exercise of the powers conferred on him by sections 82, 83, 85, 86, 88 to 90, 92 and 93 of the Greater London Authority Act 1999 (“the 1999 Act”) and sections 40, 47 and 48 of the Local Government Finance Act 1992 (“1992 Act”))

GLA Precept For 2020/21	
Band A	221.38
Band B	258.28
Band C	295.17
Band D	332.07
Band E	405.86
Band F	479.66
Band G	553.45
Band H	664.14

(H) That, having calculated the aggregate in each case of the amounts at (F) and (G) above the Council, in accordance with section 30(2) of the local government finance act 1992, hereby set the following amounts as the amounts of council tax for the year 2020/21 for each of the categories of dwellings shown below:-

Total Council Tax For 2020/21	
Band A	1,189.40
Band B	1,387.64
Band C	1,585.87
Band D	1,784.10
Band E	2,180.56
Band F	2,577.03
Band G	2,973.50
Band H	3,568.20

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Consultation response pro-forma

Provisional Local Government Finance Settlement 2020-21

If you are responding to this consultation by email or in writing, please reply using this questionnaire pro-forma, which should be read alongside the consultation document.

You should save the pro-forma on your own device, from which you can complete the survey at your own pace and submit when you are ready.

There are 8 questions. You do not have to answer every question should you not wish to.

Should you wish to attach further evidence or supporting information, you may attach and send this with the pro-forma.

Please **email responses to:**

LGfsettlement@communities.gov.uk

Alternatively, **written responses should be sent to:**

Local Government Finance Settlement Team
Ministry of Housing, Communities and Local Government
2nd floor, Fry Building
2 Marsham Street
London
SW1P 4DF

Your opinions are valuable to us. Thank you for taking the time to read the consultation document and respond.

Your Details (Required details are marked with an asterisk (*))

Full Name*	LISA TAYLOR
Organisation*	London Borough of Croydon
Address*	Bernard Weatherill House – floor 7 D
Address 2	8 Mint Walk
Town/City*	Croydon
Postcode*	CR0 1EA
Country	
Email address*	lisa.taylor@croydon.gov.uk
Phone Number	0208 760 5786 x61438

Consultation response pro-forma

Are the views Expressed on this form an official response from a:

London Borough

Croydon Council welcomes the opportunity to respond to the Government's consultation on the Provisional Local Government Finance Settlement 2020/21.

Whilst we welcome the additional funding that has been confirmed as part of the provisional settlement, this has to be seen in the context of a 76% real terms reduction in our government funding.

Furthermore, we do remain concerned about the level of certainty this one year settlement provides and would welcome a settlement that focuses on the medium term next year please.

In addition, we continue to be extremely concerned about the level of funding for local government in general and the increasing pressures we are facing, notably in the areas of Adults and Children's Social care, Homelessness and Housing Need which substantially exceed the increase in our Spending Power, even if we increase council tax and precept by the maximum.

We continue to be concerned about the continued failure to fully fund Croydon for Unaccompanied Asylum Seeking Children and the additional burden this, and associated obligations, puts on this authority's budget. The shortfall of this funding now represents over 3% of our core spending power.

Question 1

Do you agree with the Government's proposed methodology for the distribution of Revenue Support Grant in 2020-21?

Yes with reservations

Additional comments

Croydon Council agrees with the proposed approach to distributing the Revenue Support Grant in 2020/21 as an interim measure. We would however welcome greater certainty on the timeline for implementing a multiyear settlement, which would enable us to have a greater focus on medium term planning. We remain concerned that the drivers in the formula, e.g. population, deprivation, other aspects of need, are woefully out of date (some data is that over a decade old) and so does not accurately reflect Croydon's needs.

Consultation response pro-forma

Question 2

Do you agree with the Government's proposal to eliminate negative RSG?

Yes

Additional comments

Whilst we are not a negative RSG authority we do feel that the funding system for local government needs to be reviewed as the current system is too complex and no longer fit for purpose.

Question 3

Do you agree with the proposed package of council tax referendum principles for 2020-21?

No

Additional comments

We do not agree with the proposed package of council tax referendum principles for 2020/21. Given the level of financial pressures local authorities are facing we are disappointed that the ability to increase locally determine Council Tax has been reduced and that local council tax can now only be increased by 2% rather than the previous 3% without a referendum. Given that council tax is the only locally determined tax we believe that the referendum limit should be removed completely and that local authorities should be allowed to increase taxes as necessary to manage local spending pressures and enable us greater flexibility to deliver much needed services. In addition, with the RPI currently sitting above 2% and costs in London (as illustrated by London Living Wage) rising substantially more than that, this is effectively a real-terms reduction in council tax.

Consultation response pro-forma

Question 4

Do you agree with the Government's proposals for the Social Care Grant in 2020-21?

Yes with reservations

Additional comments

Croydon Council welcomes the much needed additional funding for adult social care and the fact that the grant will not be ring-fenced. It does not reflect, however, even the one-year increase in need in this service area, especially as some 2019/20 grants in this area of responsibility have not been renewed.

We disagree with the method proposed for distributing funding for both children and adults being solely based on adults social care relative needs formula. If the funding is for pressures in both adults and children's social care the distribution formula should reflect the relative needs in both cohorts.

We are interested to understand the governments rational for distributing funding using this method, especially as we believe that using both adults and children's relative needs formula would result in Croydon receiving much needed additional grant.

Question 5

Do you agree with the Government's proposals for iBCF in 2020-21?

Yes

Additional comments

We agree with the proposal to continue IBCF funding but are disappointed that the level of funding remains at 2019/20 rates for 2020/21 and has not been increased.

The continuation of the Winter Pressures grant and the removal of the ring-fence is welcomed.

However, we are currently unclear on the on the reporting arrangements and would welcome greater clarity please.

Consultation response pro-forma

Question 6

Do you agree with the Government's proposal to fund the New Homes Bonus in 2020-21 with the planned £900 million from Revenue Support Grant, with additional funding being secured from departmental resources, and to allocate the funds in line with previous years but with no legacy payments?

Yes

Additional comments

Yes, we welcome the Government's proposal to fund the proposed new round of New Homes Bonus and are pleased that the government has chosen not to increase the 0.4% baseline threshold above which the bonus applies.

We are however, disappointed that any new allocations will not result in the legacy payments being made in subsequent years.

We welcome the commitment to consult widely on any future NHB reforms and urge that the government provides certainty regarding the future scheme as soon as possible.

Question 7

Do you agree with the Government's proposed approach to paying £81 million Rural Services Delivery Grant in 2020-21 to the upper quartile of local authorities, based on the super-sparsity indicator?

No

Additional comments

Croydon Council does not agree with the approach to paying the Rural Services Delivery Grant via this method. We believe that this funding could be distributed more fairly across all local authorities on the basis of need.

We are disappointed that while the government is recognising that funding for rural areas needs to be increased it has failed to consider the unique pressures urban areas such as London and Croydon in particular face.

Consultation response pro-forma

Question 8

Do you have any comments on the impact of the proposals for the 2020-21 settlement outlined in this consultation document on persons who share a protected characteristic, and on the draft equality statement published alongside this consultation document? Please provide evidence to support your comments.

No

Additional comments

DEDICATED SCHOOLS GRANT (DSG)

Table 1 – 2020/21 DSG Funding Breakdown

DSG Funding Blocks	Total £m
Schools Block (before recoupment)	262.963
High Needs Block (before recoupment)	66.804
Central Schools Services Block	5.831
Early Years Block	28.707
Total DSG Funded Services	364.306

2020/21 DSG allocation for Croydon

In 2020/21 the total DSG settlement for Croydon (including academies) is £364.306m. Academy recoupment is estimated to be in excess of £182m in 2020/21 reducing the DSG total to £182.2m. This total will be subject to change depending on the number of new schools that convert to academies during the year.

The funding per pupil as a result of the introduction of the National Funding Formula (NFF) stipulates a minimum funding rate. The NFF provides two per pupil funding rates, one for primary pupils and one for secondary pupils. In 2020/21, the respective funding rates are £4,504.90 and £5,986.57. The 2019/20 rates per pupil were £4,293.34 for primary pupils and £5,460.8 for secondary pupils.

The latest pupil numbers used to calculate the DSG funding are 51,032 for the Schools block and 9,314 (part time equivalent two to four year olds) within Early Years. These numbers are based on the October 2019 Pupil Level Annual School Census (PLASC) count, although the Early Years Census in January 2020 will be used to update Croydon’s DSG allocation with more accurate Early Years pupil numbers during 2020/21.

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Croydon Council

Pay Policy Statement 2020-21

1. Introduction

- 1.1. The Council aims to ensure that its remuneration packages are fair, equitable and transparent and offer suitable reward for the employment of high quality staff with the necessary skills and experience to deliver high quality services.
- 1.2. Under section 112 of the Local Government Act 1972, the Council has the “power to appoint officers on such reasonable terms and conditions as the authority thinks fit”. In accordance with Section 38 of the Localism Act, this Pay Policy Statement sets out the Council’s policy for 2019-20 on:
 - The remuneration of its senior staff including Chief Officers
 - The remuneration of its lowest paid employees
 - The relationship between the remuneration of its Chief Officers and the remuneration of staff who are not Chief Officers
- 1.3. Remuneration in this context is defined widely to include not just pay but also charges, fees, allowances, benefits in kind, increases in enhancements of pension entitlements and termination payments.
- 1.4. Following the decision of the Annual Council meeting on 03 June 2014, the Appointments Committee has delegated responsibility for approving appointments in accordance with the threshold specified in statutory guidance issued by the Secretary of State under section 40 of the Localism Act 2011. The statutory guidance is that elected Members should be given an opportunity to vote before a salary package upon appointment above a specified threshold is offered; and a severance package beyond a specified threshold is approved for staff leaving the Council’s employment. For both these purposes, the specified threshold is currently £99,999 as set by Government.
- 1.5. Once approved, all remuneration paid to officers will comply with this policy for the 2020-21 financial year. The statement will be reviewed in accordance with legislation prevailing at the time.
- 1.6. The provisions of the Localism Act do not apply to schools that are excluded from this statement.
- 1.7. In accordance with Part 3 of the Constitution – Responsibilities for Functions the Chief Executive’s Scheme of Authorisations provides delegated authority to the Director of Human Resources for pay and terms and conditions for staff other than the Chief Executive and employees covered by the Joint National Council for Chief Officers. Grading and conditions of service for these staff are approved by the Appointments Committee. Reference paragraph 4.2.8 and 4.2.9 of Part 3 of the Constitution Responsibilities for Functions – see extracts below:

“.....the Chief Executive’s delegation is subject to:

4.2.8 “the approval of the Director of Human Resources to the grading and conditions of service of staff (other than those based in schools or subject to the conditions of service of the Chief Officers and Chief Executives J.N.C

4.2.9 the approval of the Appointments Committee to grading and conditions of service of staff employed subject to the conditions of service of the Chief Officers and Chief Executives J.N.C”

1.8 Subject to circumstances it may be necessary to amend the Pay Policy statement during the financial year. Any changes or amendments made will be subject to full Council approval.

2. Pay structure

2.1. The Council uses a combination of locally and nationally determined pay structures for its workforce.

a) The pay structures, including basic pay, for the Chief Executive and Head of Paid Service, Executive Directors, Directors and posts at Croydon Special Range (CSR) level are determined locally.

b) The basic pay for teachers, youth workers, and young people/community service managers is in accordance with nationally negotiated pay structures.

c) To reflect market and industry specific factors, staff in the in-house bailiff service have locally determined pay arrangements which includes an element of performance pay.

d) For the majority of other staff, the Council uses a locally determined grading structure aligned to the relevant London pay spine of the Greater London Provincial Council.

2.2. Pay allowances other than basic pay are the subject of local or nationally negotiated rates having been determined from time to time in accordance with the collective bargaining arrangements and/or as determined by the Council.

2.3. Other than for the Chief Executive and Head of Paid Service, Executive Directors and Directors, the Council adheres to national pay bargaining and will normally apply a nationally negotiated cost of living pay award for staff covered by the relevant negotiating body.

3. Remuneration

3.1. For the purpose of this pay policy statement, Chief Officers include:

a) Tier 1: The Chief Executive and Head of Paid Service; Executive Directors; Directors; and

b) Tier 2: Heads of service and certain senior staff in Croydon Special Range graded posts who report to Directors

3.2. Current remuneration for tiers 1 and 2 staff are:

- a) The Chief Executive and Head of Paid Service is to be paid a spot salary of £192,474, inclusive of a 2% increase with effect from 01 April 2020. The salary, is subject to review every two years. The proposed 2% increase is below inflation and in line with the increases expected by the rest of the workforce over the same period.
- b) Executive Directors and Directors are currently paid on spot salaries as set out in Appendix A without provision for incremental progression. Salaries are subject to review every two years with the last review being 01 April 2019
- c) Heads of service and senior staff reporting to Directors are placed on a salary following evaluation of their post using the Hay job evaluation scheme (for CSR graded posts) or the Greater London Provincial Council job evaluation schemes (for posts graded 16 and 17) with provision for incremental progression to the top spinal point of the grade. Salaries are reviewed in line with national and regional pay awards

The grading structures for tiers 1 and 2 are shown in Appendix A.

- 3.3. The pay of the Chief Executive and Head of Paid Service is determined on appointment with reference to market rates. In establishing market rates, the Council will compare remuneration data from other comparable local authorities. This allows closer benchmarking where possible to take account of factors such as population size, social demographics, budgetary responsibilities, economic and regeneration activity.
- 3.4. Subject to the approval of the Appointments Committee referred to in paragraph 1.4 above, salaries of Executive Directors and Directors may be reviewed earlier than the scheduled review date when appointing to a post or to maintain parity with the salary of a related post being recruited to (see paragraph 3.8 for the remuneration for new appointments).

Additional remuneration elements

- 3.5. The Council does not apply any bonuses or performance payments to its Tier 1 or Tier 2 staff. In addition to basic pay elements of “additional pay”, other than those that constitute re-imbusement of expenses incurred during the fulfilment of duties, are set out below:
 - a) In order to recruit or retain employees in a post at its designated grade or spot point consideration will be given to the use of market supplements as approved by the Director of Human Resources and Chief Executive with such payments being subject to periodic review. Market supplements will, when added to basic pay, not normally exceed 10% of base pay and in any event for posts in tier 1 will not exceed the next pay reference point. Any market supplement for the Chief Executive will be determined by the Appointments Committee.
 - b) A compulsory car allowance may be made to authorised car users at all levels of the workforce other than to Tier 1. The compulsory car allowance applies to employees where driving a car is an integral feature of the

employee's post and the employee is unable to carry out their post without providing and using their own car. The amount of the allowance depends on the engine size and emissions of the employee's car as shown in Appendix A.

- c) Returning Officer fees: the Council is required by the Representation of the People Act 1983 to appoint an officer to act as the Electoral Registration Officer (ERO) for any constituency or part of a constituency within its area to be responsible for the preparation and maintenance of the electoral register and to act as the Returning Officer (RO) for all elections. Such duties attract a fee payable to the individual, paid for by the Government except in relation to local elections. The fees are set by central government for national elections and referenda and for local elections fees are prescribed by and agreed on an annual basis by the Chief Executives' London Committee, which reports into the London Councils network. The Council's Electoral Registration Officer and Returning Officer is the Chief Executive and Head of Paid Service, as agreed by resolution of the Council or as delegated to a committee.

In her capacity as the Council's Electoral Registration Officer and the Council's Returning Officer, the Chief Executive and Head of Paid Service may appoint deputy Electoral Registration Officers and a deputy Returning Officer. Fees for carrying out such duties are payable to appointed individuals.

- d) From time to time consideration will be given to making additional payments, as approved by the Director of Human Resources, to Chief Officers who undertake additional and/or higher level responsibilities for example when covering the duties of a vacant Chief Officer post. Such payments are subject to periodic review.

Remuneration on appointment

- 3.6. Where employees are appointed to a grade rather than a spot salary, it is the Council's policy to appoint all employees on the bottom spinal point of the grade unless there are exceptional circumstances as authorised by the relevant Director and approved by the Director of Human Resources.
- 3.7. In exceptional circumstances and subject to approval of the Director of Human Resources, where it is necessary for a newly appointed employee to relocate and move home to take up appointment a contribution towards certain relocation expenses may be made. A copy of the scheme, is attached as Appendix B.
- 3.8. New Executive Director and Director appointments will be made at the salaries stated for the respective post as set out in Appendix A. Should it be deemed necessary for a new appointment to be made on a salary higher than that set out for the post in Appendix A and the new salary exceeds the threshold referred to in paragraph 1.4 above, the new salary will be subject to the approval of the Appointments Committee.

Redundancy payments and payments on leaving

- 3.9. The Council has a single redundancy scheme which applies to all employees including Chief Officers (see Appendix C). The Council does not make any other payments to employees on termination of their employment other than those, where there is a statutory or contractual requirement to do so, such as payment for accrued and untaken annual leave.
- 3.10. Subject to paragraph 1.4 above, in exceptional circumstances other severance payments may be made subject to agreement of the Chief Executive and Head of Paid Service and the Director of Human Resources and as allowed for in the Council's scheme of delegation. Such payment will take account of the Council's contractual and legal obligations, value for money, reputation of the Council and goodwill towards the employee.
- 3.11. The Appointments Committee has decided, in accordance with delegations agreed by Full Council, that it will consider only those future severance packages where there are non-contractual and/or non-statutory elements to the proposed severance package which would mean that the severance package exceeds the specified threshold as a result of those elements. In those instances, the Committee will vote in respect of the non-contractual and/or non-statutory elements of such packages. For these purposes the specified threshold set, from time to time, by statutory guidance, is £99,999.

Re-employment of officers previously made redundant and retirement

- 3.12. Where an officer who has previously been made redundant from the Council applies for employment with the Council, their application will be treated on its own merits, the financial merits and wider interests of the Council and will have regard to any agreement under which the officer left their previous employment. Where an officer leaves the Council's employment through voluntary severance or voluntary redundancy arrangements, they will not be allowed to work for the Council in any capacity, including engagement via employment agencies or as a consultant, for a period of at least one year after leaving.
- 3.13. At the time of drafting this pay policy statement, the Government is proposing legislation that will: limit exit payments to £95,000 in the public sector; and require public sector employees earning more £80,000 to repay some or all of an exit payment if they return to public sector employment within twelve months. The Council will seek recovery of exit payments from previous employees and in so doing apply limits to exit payments in accordance with the legislation as an when it is introduced.
- 3.14. The Council permits flexible retirement, as permitted by the Local Government Pension Scheme Regulations where by an employee can receive a salary and be in receipt of a pension for doing the same job. Flexible retirement will usually only be agreed where there is no cost to the Council. Exceptions to this will be based on the best interest of the Council and will be agreed by the Executive Director of Resources in consultation with the Director of HR, except where such a decision relates to either of themselves, when the Chief Executive will be consulted. Employees retiring before their normal retirement age will, therefore, usually receive what is known as an actuarial reduction in their pension as

allowed for under the Local Government Pension Scheme Regulations, to reflect the financial impact on the pension fund by the employee's early retirement.

4. Remuneration of lowest paid employees

4.1. The definition of "lowest paid employee" is for local determination. The Council has agreed that the lowest paid employee will be those workers employed under a contract of employment on full-time equivalent hours, in accordance with the minimum grade of the Council's agreed grading structure. Workers, such as apprentices, who are engaged on fixed term training contracts, are excluded from this definition.

4.2. The Council is a London Living Wage employer and will pay the London Living Wage as its minimum rate of pay to employees, other than those engaged specifically on apprentice or similar training contracts. The Council will apply increases in the London Living Wage with effect from the 01 April following announcement of the increase. With effect from 01 April 2019 the full-time equivalent annual pay of the lowest paid employee will £20,103 which equates to an hourly rate of pay of £10.74 (higher than the current London Living Wage which is £10.20 per hour and will be effective from 1st April 2020 for the Council).

5. The relationship between the pay of Chief Officers and that of other staff

5.1. The Council does not set the pay of individuals or groups of individuals by reference to a simple multiple of the pay of another individual or group. The use of simple pay multiples cannot capture the complexities and dynamics of a highly varied workforce. The Council sets pay as outlined above by reference to the evaluated level of responsibilities of the post or at a rate determined by a national pay body.

5.2. Although there is no requirement under the Localism Act, the Council has decided to publish its pay multiples to aid transparency and future benchmarking:

- The multiple for 2020-21 between the lowest paid employee and the chief executive and head of paid service is a ratio of 1:9.6.
- The multiple between the lowest paid employee and the median chief officer is a ratio of 1:5.9
- The multiple between the median pay and the chief executive and head of paid service's pay is a ratio of 1:5.8.
- The multiple between the median pay and the average chief officers' pay is a ratio of 1:3.3

5.3. As part of its overall and ongoing monitoring of alignment with external pay, both within and outside the sector, the Council will use available benchmarking information as appropriate.

6. Non-permanent staffing resources

6.1. To maintain flexibility in delivering services the Council supplements its employee workforce with workers who are not Council employees or on the Council payroll. This non-permanent resource includes consultants, who are procured under a Contract for (Consultancy) Services, and interims who are procured through the Councils managed service provider (the London Group Recruitment Partnership)

or other approved third party providers including through the Council's neutral vendor framework.

- 6.2. In managing its non-permanent staffing resource, the Council seeks to ensure that: the Council and the wider public sector achieve value for money; tax and national insurance liabilities are managed appropriately; and contractual relationships between the Council, workers and thirds parties are properly reflected. In this regard, it is the Council's policy not to engage directly with self-employed individuals, or wholly owned one person limited companies in all but the rarest of exceptions. Where such arrangements are used, the Council seeks to limit them to a maximum duration of 24 months.
- 6.3. Where it is necessary to engage a worker at Tier 1 or Tier 2 temporarily as an interim or consultant, the remuneration paid to the individual will generally fall within the following rates. The higher rates of pay, compared to those paid to directly employed staff, are in recompense of interims and consultants not receiving all of the same conditions of employment, most notably regarding leave, pension, redundancy and notice.

Grade of post	Day rate range £ (payable to the individual)
Croydon Special Range	£400 - £525
Director	£525 - £775
Executive Director	£775 - £900
Chief Executive	£1200 - £1500

7. Publication

- 7.1. Upon approval by the full Council this statement will be published on the Council's website. In addition, the Council's Annual Statement of Accounts will include a note setting out the remuneration paid to each member of the corporate leadership team (the Chief Executive and Head of Paid Service and those reporting directly to her) including the total amount paid to each individual by way of: salary, including fees and allowances; performance related pay; expense allowances; compensation for loss of office; benefits in kind and employers pension contributions. The Annual Statement of Accounts is published on the Council's website.
- 7.2. The Annual Statement of Accounts will also report on termination payments for all employees in keeping with international financial reporting standards. This will show the number of termination payments, within specific financial bands, made to employees during the year.

End

Pay structure for Tier 1 and Tier 2**Tier 1: 01 April 2020 to 31 March 2021**

Post	Spot Salary
Chief Executive	£192,474
Executive Director of Resources (Monitoring Officer) , Executive Director of Place	£156,060
Executive Director of Children, Families & Schools, Executive Director Health, Wellbeing & Adults, Executive Director,(Localities and Residents programme - 2 year fixed term)	£137,700
Director of Finance, Investment & Risk (S151 Officer)	£130,050
Director of Growth, Employment & Regeneration, Director of Public Health, Director of Early Help & Children Social Care, Director of Procurement & Commissioning, Chief Digital Officer, Director of Law & Governance, Director of Operations	£119,646
Director of Planning & Strategic Transport, Director of Education & Youth Engagement, Director of Public Realm, Director of Homes & Social Investment ,	£109,140
Director of Human Resources, Director of Residents Gateway Services, Director of Housing Assessments & Solutions, Director of Innovation and Integration, Director of Policy & Partnerships	£98,838

Tier 2: current (2020-2021)

Grade	Scp	Salary *
Croydon	1	£63,834
Special	2	£65,931
Range A	3	£70,125
Croydon	4	£80,490
Special	5	£83,055
Range B	6	£85,614

** Plus cost of living national pay award to be decided*

Car allowances and mileage payments

	<u>451 - 999cc</u>	<u>1000 - 1199cc</u>	<u>1200 - 1450cc</u>
<u>Compulsory car users</u>		Only payable for cars within DVLA bandings A-E for CO2 emissions	
Lump sum per annum	£846	£963	£1,239
per mile first 8,500	36.9p	40.9p	50.5p
per mile after 8,500	13.7p	14.4p	16.4p

	<u>451 - 999cc</u>	<u>1000 - 1199cc</u>	<u>1200 - 1450cc</u>
<u>Other users</u>		Only payable for cars within DVLA bandings A-E for CO2 emissions	
per mile first 8,500	46.9p	52.2p	65.0p
per mile after 8,500	13.7p	14.4p	16.4p

CROYDON COUNCIL**RELOCATION SCHEME****Introduction**

These guidelines may be used to overcome a skills shortage or as a recruitment and retention tool. The Council's approach to attracting, recruiting, developing and retaining talent sometimes needs to be supported to enable the placement of someone with known abilities and expertise into a specific role.

The decision to apply this scheme should be agreed before an offer of employment has been accepted and should preferably be displayed in the job advertisement. An "in principle" offer of assistance, subject to meeting the requirements of the scheme, must be contained in the offer of employment letter. An offer of a relocation package cannot be made after employment commences.

There is no automatic entitlement to help with relocation or the amount paid. Payment is subject to approval in all cases by the relevant tier 1 manager, production of receipts and the amount of budget available within the service. No central relocation budget exists, so payments must be made from the relevant department's own budget.

Relocation assistance will not exceed £8,000, will not normally be provided to employees already employed by the Council (including those on fixed term or temporary contracts) and can be paid once only. Any subsequent moves will not attract a payment.

Eligibility

The following criteria must be met to be eligible for a relocation payment;

- The applicant lives more than 90 minutes travelling distance away from the new workplace and is relocating to a location within that limit.
- all owners or joint owners of the residence are moving, if claiming fees connected with the sale and purchase of a property
- the applicant is moving within 6 months of starting their employment with the Council
- the applicant is not benefiting from relocation assistance from another source (e.g. their partner's employer)
- the applicant is moving to work solely for Croydon

Conditions

The recipient must sign an agreement to remain in Croydon Council's employment for a minimum of three years. If they leave voluntarily or are dismissed on grounds of misconduct or capability within three years, repayment will be due, charged at 1/36 of the total amount of expenses paid per uncompleted month of service.

Two quotes must be obtained for removal and storage expenses for which the lower amount may be reimbursed. Records of payments made will be recorded on the employee's personal file and retained by the manager who signs the agreement.

The employee is responsible for:

- taking steps to sell their property (if applicable) and obtaining accommodation within reasonable travelling distance (90 minutes) within 6 months of their start date with Croydon Council.
- seeking approval for any relocation expenses prior to incurring the expense.
- signing the three year agreement
- providing a full breakdown of costs and comprehensive receipts for all expenses claimed for under the scheme. Bank statements or credit card receipts cannot be accepted.
- providing at least two quotes if claiming for removal expenses.

The manager is responsible for:

- obtaining approval of the Director of Human Resources and their Director and the correct financial authorisation (including departmental expenditure panel if relevant), before offering a relocation package
- subject to the eligibility criteria, informing the successful candidate of the relocation scheme when offering the appointment
- ensuring that finances are available to fund a relocation package
- agreeing with the employee the types of expenses they are able to cover and the maximum amount to be paid
- reviewing the situation if positive steps are not being taken by the candidate/employee to sell and/or buy a new property within 6 months of starting their employment.
- ensuring an agreement is signed by the employee and storing a copy on their personal HR file
- keeping a copy of the agreement, a full breakdown of costs, receipts and quotes.
- arranging for payment(s) to be paid into the employee's bank account before the end of the tax year following their appointment date and that taxable payments are paid via Payroll

- ensuring that records of all payments are kept on the employee's personal HR file
- arranging the recovery of expenses if the employee leaves within three years, including writing to them to confirm the outstanding amount due and informing them if it will be taken out of their final salary or pension contributions.

Tax

Relocation expenses up to £8,000 per move are currently tax free as long as they are provided by the employer before the end of the tax year following the date of appointment (including VAT on expenses), but some payments are taxable. The following expenses may or may not be included in the agreed package.

- Payment for rent where it is necessary to temporarily maintain two homes , up to a maximum of 6 months*
- Travelling costs where two homes are temporarily maintained, up to a maximum of 6 months (either standard class train fares or casual car user mileage rates)
- Legal and Estate Agents fees connected with the sale and purchase of property
- Removal and storage of household furniture and effects
- Disconnection and reconnection of utilities*
- Reinstallation of domestic appliances such as cookers and washing machines*
- Charges incurred for ending a rental agreement early *
- Deposit for rented accommodation *
- Two days paid removal leave in addition to normal leave entitlement*
- Refund of unexpired season tickets*
- Shipping costs, if moving from abroad
- Survey Fees*
- Unplanned costs such as school uniforms, carpets, curtains, *
- Redirection of mail*

*subject to tax and NI contributions

As the tax position may change, it is advisable to check with the HMRC before finalising any arrangements under this guidance.

EARLY RETIREMENT & REDUNDANCY SCHEME (incl. Efficiency of the Service)

Council approved 1981.

Amended by Corporate Services Committee on 11 October 2006; effective from 1st December 2006

Amended 010410: legislative changes

Amended 010411: Employee Based Cost Review (EBCR)

1. SCOPE AND PURPOSE OF SCHEME

- 1.1. This scheme is without prejudice to the Council's and the trade unions' general policy of opposition to redundancies. It outlines the approach the Council may use when making staffing reductions through redundancy, early retirement on the grounds of redundancy, and early retirement on the grounds of efficiency of the service.
- 1.2. The scheme covers all categories of staff except teachers and lecturers for whom a separate scheme exists.
- 1.3. The scheme sets out the normal level of payments made to employees. Certain payments in the scheme are enhanced by the Council exercising its discretion, as allowed for in legislation. The exercise of the Council's discretion is subject to a decision in each case, and the Council reserves the right to apply different payments in particular cases. The Council also reserves the right to withdraw or suspend the scheme at any time.

2. GENERAL

- 2.1. Where redundancies as defined in the Employment Rights Act 1996 are contemplated the Council may choose to seek volunteers for early retirement or redundancy from the staff. Should the number of volunteers for early retirement or redundancy exceed the required number of post reductions the Council will consult staff representatives about the method of selection.

3. EARLY RETIREMENT BY REASON OF REDUNDANCY (only for employees aged 55 and over)

- 3.1. Employees aged 55 or more who are made redundant (including those who volunteer under paragraph 2.1) will be eligible for immediate payment of pension benefits if they have 2 or more years membership in the LGPS (or have less than 2 years membership, but have had a transfer of pension rights into the LGPS from another source).
- 3.2. In addition to immediate payment of pension benefits, employees with 2 years continuous service will also be entitled to a redundancy payment. The redundancy payment will be calculated as set out in section 4.

- 3.3. The granting of any augmentation in respect of redundancy and early retirement in the interests of the efficiency of the service is at the Council's discretion to compensate officers for the loss of position and future expectations as a result of the Council's actions. It is not in respect of past service, which is covered by pension entitlement arising from contributions made into the Pension Fund.
- 3.4. The costs of the early payment of benefits are charged to departmental budgets rather than the Pension Fund.

4. REDUNDANCY

- 4.1. Employees who are made redundant will receive a redundancy payment based on length of continuous service and age as laid down in the Employment Rights Act. The details of the statutory redundancy payments vary with age and length of service and a ready reckoner is set out in Appendix 1.
- 4.2. Continuous local government service (and certain related service) will be used where this exceeds service with the London Borough of Croydon and in calculating the redundancy payment the weekly pay used for calculating redundancy payments will be as follows:
- a) In cases of compulsory redundancy, by reducing by 50% the amount by which an employee's actual weekly pay exceeds the statutory cap e.g. with the statutory cap at £400 and an employee's actual weekly pay at £500, redundancy pay would be calculated on a revised weekly pay of £450.
 - b) In cases of voluntary redundancy, by reducing by 25% the amount by which an employee's weekly pay exceeds the statutory cap e.g. with the statutory cap at £400 and an employee's actual weekly pay at £500, redundancy pay would be calculated on a revised weekly pay of £475.

5. EARLY RETIREMENT IN THE INTERESTS OF THE EFFICIENCY OF THE SERVICE

- 5.1. The Council will consider applications from staff, supported by their Directors, for early retirement on the grounds of the efficiency of the service. Each case will be decided on its merits by the Assistant Chief Executive (Corporate Resources and Section 151 Officer) in consultation with the Director of Human Resources and the relevant departmental Director. They will use their discretion based on the following criteria:
- (a) staff suffering ill-health of a nature not covered by the ill-health provisions of the Pension scheme
 - (b) a change in the organisation of an establishment or department which does not give rise to redundancy
 - (c) staff who are unable to meet the changed requirements of their post
- 5.2. Employees aged 55 or over, who retire on the grounds of efficiency of the service are eligible for immediate payment of pension benefits if they have 2 or more years membership in the LGPS (or have less than 2 years membership, but have had a transfer of pension rights into the LGPS from another source).

5.3. In these cases there is no entitlement to a redundancy payment.

6. COMPLYING WITH LEGISLATION

6.1 The Council will only apply the above policy in a manner which is compatible with the law (inc. legislation, subordinate legislation and case law) and anything in this policy which is incompatible with the law shall be disregarded or applied only to the extent that doing so would not be contrary to the law as it is understood when the policy is applied in any particular case.

End

“Ready Reckoner” For Statutory Redundancy Pay

Figures in grid show the number of weeks pay due

Continuous Service (Years)																			
Age	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
18 ¹	1																		
19	1	1½																	
20	1	1½	2																
21	1	1½	2	2½															
22	1	1½	2	2½	3														
23	1½	2	2½	3	3½	4													
24	2	2½	3	3½	4	4½	5												
25	2	3	3½	4	4½	5	5½	6											
26	2	3	4	4½	5	5½	6	6½	7										
27	2	3	4	5	5½	6	6½	7	7½	8									
28	2	3	4	5	6	6½	7	7½	8	8½	9								
29	2	3	4	5	6	7	7½	8	8½	9	9½	10							
30	2	3	4	5	6	7	8	8½	9	9½	10	10½	11						
31	2	3	4	5	6	7	8	9	9½	10	10½	11	11½	12					
32	2	3	4	5	6	7	8	9	10	10½	11	11½	12	12½	13				
33	2	3	4	5	6	7	8	9	10	11	11½	12	12½	13	13½	14			
34	2	3	4	5	6	7	8	9	10	11	12	12½	13	13½	14	14½	15		
35	2	3	4	5	6	7	8	9	10	11	12	13	13½	14	14½	15	15½	16	
36	2	3	4	5	6	7	8	9	10	11	12	13	14	14½	15	15½	16	16½	17
37	2	3	4	5	6	7	8	9	10	11	12	13	14	15	15½	16	16½	17	17½
38	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	16½	17	17½	18
39	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	17½	18	18½
40	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	18½	19
41	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	19½

¹ It is possible that an individual could start to build up continuous service before age 16, but this is likely to be rare, and therefore the table starts from age 18.

Continuous Service (Years)																			
Age	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
42	2½	3½	4½	5½	6½	7½	8½	9½	10½	11½	12½	13½	14½	15½	16½	17½	18½	19½	20½
43	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21
44	3	4½	5½	6½	7½	8½	9½	10½	11½	12½	13½	14½	15½	16½	17½	18½	19½	20½	21½
45	3	4½	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22
46	3	4½	6	7½	8½	9½	10½	11½	12½	13½	14½	15½	16½	17½	18½	19½	20½	21½	22½
47	3	4½	6	7½	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23
48	3	4½	6	7½	9	10½	11½	12½	13½	14½	15½	16½	17½	18½	19½	20½	21½	22½	23½
49	3	4½	6	7½	9	10½	12	13	14	15	16	17	18	19	20	21	22	23	24
50	3	4½	6	7½	9	10½	12	13½	14½	15½	16½	17½	18½	19½	20½	21½	22½	23½	24½
51	3	4½	6	7½	9	10½	12	13½	15	16	17	18	19	20	21	22	23	24	25
52	3	4½	6	7½	9	10½	12	13½	15	16½	17½	18½	19½	20½	21½	22½	23½	24½	25½
53	3	4½	6	7½	9	10½	12	13½	15	16½	18	19	20	21	22	23	24	25	26
54	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	20½	21½	22½	23½	24½	25½	26½
55	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22	23	24	25	26	27
56	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22½	23½	24½	25½	26½	27½
57	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22½	24	25	26	27	28
58	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22½	24	25½	26½	27½	28½
59	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22½	24	25½	27	28	29
60	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22½	24	25½	27	28½	29½
61*	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22½	24	25½	27	28½	30

* The same figures should be used when calculating the redundancy payment for a person aged 61 and above.

Notes:

Statutory redundancy payments are based on length of continuous service (up to max of 20 yrs) and age as follows:

- for each completed year of service up to age 21 inclusive: half a week's pay
- for each completed year of service from age 22-40 inclusive: one week's pay.
- for each completed year of service from age 41 inclusive: one and a half week's pay.

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Leader of the Council Cabinet Member Bulletin Councillor Tony Newman March 2020

LATEST NEWS

Borough of Culture 2023

Just a couple of weeks ago London Mayor Sadiq Khan announced our town of Croydon the winner of the race to be London Borough of Culture 2023, a fitting recognition indeed of much hard work by many, and less than six months after we reopened the iconic Fairfield Halls, now home amongst others to both the London Mozart players and the Talawa Theatre Company. One of our key supporters for the Borough of Culture bid was Croydon's very own Stormzy, and it was also great to see him just weeks after his now legendary homecoming gig at Boxpark win a major award at the Brits.



Along with the prestige of winning the Borough of Culture award, comes over a million pounds of funding to support the arts and culture across Croydon, and this at a time of ongoing cuts to our funding by national government, and growing demand for our services is vital.



Leader of the Council Cabinet Member Bulletin Councillor Tony Newman March 2020

Citizen's Assembly on Climate Change

Just last week we had our final session of our first Citizen's Assembly. I'm incredibly proud of how our residents have worked together to create a robust set of innovative recommendations on the challenge of how to make Croydon carbon neutral by 2030.

The main themes that emerged from our assembly members over the course of the three sessions were transport, air quality, energy use and awareness and engagement.

The recommendations and final report on the Citizen's Assembly will be presented at March Cabinet and once approved, will go on to guide the initial work of the Climate Crisis Commission.



Climate Crisis Commission

We have made clear that building a truly sustainable Croydon is everybody's business, from lifetime homes, new green jobs, empowering our young people or the quality of the air we breathe this climate Emergency impacts upon us all every day.

I am delighted we are launching our Climate Crisis Commission on March 12th at Croydon College with the Commissions Chair Miatta Fahnbulleh.

Miatta is the chief executive of the New Economics Foundation, a think-tank promoting social, economic and environmental justice and will lead the commission, set up to tackle the climate and ecological emergency.



Leader of the Council Cabinet Member Bulletin Councillor Tony Newman March 2020

Budget

As we present our budget for 2020 with a council tax increase of 1.29p (band d) for local services, it presents an opportunity to look back over the last twelve months and review the progress we are making as a council Administration determined to continue delivering high quality public services, against the toughest ever funding pressures local government has ever faced.



Against this challenging backdrop how we deliver public services in the 21st Century is changing and I am proud that the LB Croydon is at the forefront of this innovation, whether through our One Croydon health alliance with the NHS, building the inspirational Legacy Youth Zone with a range of partners or unlocking 42m of land values to fund the renovation of the iconic Fairfield Halls at minimal expense to local council taxpayers along with making sure funding available for the violence reduction network to help us achieve our vision of a public health approach to reducing violence across the board - stepping in earlier and preventing violence from taking place with our communities playing a central role.

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Homes & Gateway Services

Cabinet Member Bulletin

Councillor Alison Butler

March 2020

LATEST NEWS

HRA Major Works Programme

The HRA major works programme continues to make improvements to the Council's existing stock. A number of schemes are onsite for completion 20/21. These include -

98-176 College Green - a sheltered block where works include the installation of sprinklers, new ground floor homes, new boilers, replacement windows and roof, enclosing of the undercroft and rain screen cladding. @ £4.8m spend

56a-76d Chertsey Crescent - General needs block with @£4.5m is to be spent hard and soft landscaping, lift upgrades, ground source heating, windows, roof and rain screen cladding.

Longheath Gardens – Estate wide external improvements will to 17 blocks including replacement copper roofs, concrete repairs, balcony and balustrade replacement, walkway coverings and external decorations costing @£7m



Homes & Gateway Services

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March 2020

Launch of Somewhere Safe to Stay hub launch

It has long been our ambition to have 24 hour all-round provision for our street homeless to add to the numerous services we are already offering.

The service was soft-launched in November with 8 rough sleepers and officially opened along with Roy Hodgson from CPFC in January. The hub includes shared sleeping quarters, female-only shared bedrooms, a private room, a kitchen and a medical room and will offer up to 15 people a bed for up to 72 hours and a same-day holistic assessment of their financial, health and housing circumstances.

Rough sleepers, or people about to sleep rough, will be referred to the hub by the council's homelessness assessment team and partners including Croydon Reach and Crisis. They then receive help into settled accommodation and one-to-one help with their finances and job skills. The stories given by some of the residents who have already been assisted were truly moving.

To refer rough sleepers, or for rough sleepers to self-refer, contact StreetLink by calling 0300 500 0914, visiting their website or downloading their app on iOS or Android.

To help rough sleepers aged under 18, contact the council's emergency duty team at Bernard Weatherill House, 8 Mint Walk, Croydon, CR0 1EA or call the Metropolitan Police.

Gateway Universal Credit Assistance

Over the course of 2019/20 the Gateway team have assisted 6,141 households to maximise their benefits and over 900 households affected by the benefit cap.

1,274 households have been supported with universal support which is now being delivered in partnership with the Citizen Advice Bureau who provide assistance with Universal Credit claims and budgeting.

The Discretionary Support Fund has assisted 938 households through discretionary housing payments to remain in their homes or to move somewhere more affordable and 1,097 households have been supported through Croydon discretionary scheme.

Homes & Gateway Services

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March 2020

Croydon Social Lettings



Now that Croydon Lettings (Social Lettings Agency) has been established, work has been undertaken to increase Croydon Lettings profile with the web page being completely rebranded:

<https://www.croydon.gov.uk/housing/yourhome/croydon-lettings/why-choose-us>

84 new tenancies have been signed to the SLA and the team are working with 170 landlords across the borough ensuring all properties are rented at the Local Housing Allowance rate negotiating rents down by a total of £58k.

Community-led Housing

Our next site will be in Shrublands and events are being held in February and March for those who want to find out more. The Shrublands site earmarked for development is a council-owned garage block off Shrublands Avenue next to an existing all-weather games pitch and green open space, neither of which will be removed.

The Shrublands site is the second proposed location in the borough for community-led homes. Crystal Palace Community Land Trust (CLT) was chosen last August to develop its own low-carbon affordable homes at The Lawns in Upper Norwood after winning a council-run competition. They are working with local residents to decide details, such as the type and number of homes and design, ahead of a planning application being submitted later this year.

As with Crystal Palace CLT, the eventual winning bidders for the Shrublands site will receive design and development support throughout the process from the council and Brick By Brick.

For more information, visit the [Shaping Shrublands website](#).

Homes & Gateway Services

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March 2020

Parchmore Centre Community Food Stop

The launch of our latest community connect food stop will take place at the Parchmore Centre, Thornton Heath on Wednesday 26th February from 3 – 5 pm. Members will pay £3.50 pw for £15/£20 worth of shopping. The service is aimed at those affected by – welfare reform, rent arrears, financial or employment difficulties or who are homeless or at risk of homelessness. Along with the food offering they will be offered – welfare rights advice, housing advice, personal budget support, debt management, landlord liaison, help finding work and wellbeing services.



Clean Green Croydon

Cabinet Member Bulletin

Councillor Stuart Collins

March 2020

Recycling rates and fly-tipping

I was delighted to see that a recently published table of recycling rates in London showed Croydon to be one of the top six highest recycling boroughs in London with the percentage of household waste recycled increasing from 38% to 47.3%. A lot of hard work went into making the new service a success and I'm pleased that the remarkable efforts of our residents to do the right thing are being recognised. With flats above shops due to have a recycling collection service introduced within the coming months we are making it even easier for people to do the right thing.

Croydon was recently invited to give a presentation to the East London Waste Authority (ELWA) Board on the rollout of its service change and the resulting positive impact it has had on our recycling rates. It's great that Croydon is starting to be showcased in the industry in this way as a leader in the field as a borough who is bucking the national trend and increasing recycling via well communicated, comprehensive services.

Finally, I am launching a petition in order to get Parliament to take action about fly-tipping. I want the Government to back a national campaign to make fly-tipping a social stigma in the same way that they have done in years gone by with drinking and driving. Croydon has led the way for many years through the Don't Mess with Croydon campaign which has gained national coverage and has led to numerous successful prosecutions, however, this is a national problem and needs to be treated as such.

As well as a national campaign, I'd like the Government to consider introducing a point of purchase tax for the most heavily fly tipped items, which would be returned to customers if they disposed of these responsibly at recycling centres. The Government should incentivise manufactures and suppliers to introduce a new for old collection scheme. Any excess money could then be ring fenced for local authorities to deal with the costs of fly tip removal.



Clean Green Croydon

Cabinet Member Bulletin

Councillor Stuart Collins

March 2020

The petition will also call on the Government to legislate tougher penalties and, where community service is given for offenders, that community service should be spent clearing up fly-tips so that the punishment fits the crime. In doing so, ensure that Councils receive ring-fenced funding for enforcement work so that they can better catch those that fly-tip.



Local Government Finance Settlement

Government confirmed the provisional settlement figures for 2020/21. The much vaunted “Core Spending Power” has increased by 7.2%. However, this is reliant on the Council tax base growing and the Council increasing both council tax and adult social care precept by the maximum amount. Without this, the increase would have been little more than a real terms increase. In fact, once the loss of the London Business Rates Pool pilot is factored in, there is a real terms decrease in government funding to the Borough.

Unaccompanied Asylum Seeking Children (UASC)

In the budget, we have had to assume that Croydon residents will have to continue the shortfall in funding that we suffer for being a gateway authority that does the initial work on almost all of the country’s UASC and then accommodating some 10% of the country’s UASC.

There have been warm words and positive meetings between the Chief Executives of the worst-affected local authorities and senior civil servants.

The budget assumes that we get a £2.7m additional contribution, as against the £9m shortfall. This still places a huge unfair burden on Croydon’s residents.

Fair Funding

There is no concrete news on how local authorities will be funded after 20/21. We continue to lobby, directly and through London Councils and the Local Government Association.

Information prepared by both those organisations, by County Councils Network and others shows both the scale of shortfall in funding for local government generally but also the unfairness of the current system.

Reserves and Contingency

Our General Fund reserve has remained substantially unchanged since this administration came to power. This is in contrast with the vast majority of local authorities around the country, who have used reserves to fund services in the last few years.

However, it is true to say that our main general fund reserve has historically been at low levels compared to other councils and that is clearly the case at the moment, albeit it is in the target range we (and indeed the previous administration) set.



Finance and Resources

Cabinet Member Budget Bulletin

Councillor Simon Hall

March 2020

As part of the budget, and given our commitment to strong prudent financial management, we are planning to contribute £5m to reserves and committing to the principles of making contribution to reserves in future. In addition, we have increased the level of contingency in the budget. In 2014/15, this was just £1m. We increased it to £2m and we are now increasing this to £3.7m.

Croydon Digital Service (CDS)

As part of the budget, we are investing £2m into the revenue base for CDS. This is part of our commitment to having the right digital infrastructure and solutions to allow the Council to operate efficiently, to allow improved decision making and to deliver effective online solutions for residents.

The new system for Adult and Children's Social Care and the new website currently being rolled out are just two examples of this work.

The work of the team, led by Neil Williams, our Croydon Digital Officer.

Pension Fund

The actuarial review of our pension fund will be finalised in March. However, we already know that it will show a funding level in excess of 90%. This compares to 73% three years ago and 66% in 2013. Indeed, this funding level is the highest in the last 20 years.

Budget

The key drivers in the budget are detailed in the Budget papers and will be presented to Cabinet in a slide presentation on 24 February that will be made available to all councillors after the Cabinet Meeting. I will therefore not take up space on this bulletin highlighting the other major points in the budget.



Councillor Paul Scott (Job Share)
Lead for Planning and Regeneration

**Environment, Transport
and Regeneration
March 2020**



Councillor Stuart King (Job Share)
Lead for Environment and Transport

Croydon’s Green Fund

The Green Fund opened for bids (in October 2019) to provide funding support for projects, activities and initiatives that promote environmental protection, green living and a sustainable lifestyle in Croydon. This opportunity is available on the Green Fund page on the Councils website

<https://www.croydon.gov.uk/community/advice/tsfunding/funding/green-croydon-fund>

Here is a brief summary of projects funded so far and there are more in the pipeline.

Project	Project details
Socco Cheta Community Garden	To create an inclusive and welcoming natural community asset run by a group of local group and residents. The garden will extend activity, plant trees, encourage food growing, biodiversity, and increase greenery.
Friends of Spa Woods MUGA	To resurface a much used but neglected games area in the Lawns & Spa Woods. The aim is to create a ‘Multi Use Games Area’ and add some additional features e.g. table tennis table, fence.
Ashburton Park Playground Redevelopment	To renovate and improve playground facilities to promote play activity, fitness and community cohesion. To add new play equipment for children of different ages, needs and backgrounds to come together, play and enjoy with their carers.
Project GROW, Pamper Indulge and Give	To recruit, develop and upskill new community food growers increasing access to healthy food and building on the legacy Croydon’s ambitious Food Flagship program and supporting the Croydon’s summit work on sustainability.
CAMP2020	Scouting events help young people from across the Borough to learn about outdoor skills, ensuring they thrive & reach their full potential in life within a safe environment.
Green Project	To teach kids and young people how to grow and maintain natural foods from a seed to growth.

Background

The fund will remain open all year around, but applications will be reviewed, and awards will be made three times each year, and confirmed by email. The funding decisions will be made by the Communities Team in consultation with the Cabinet Member for the Environment, Transport and Regeneration.

The sum of £250,000 will be made every year over three years to voluntary organisations delivering either small/medium projects within Croydon that require £1,000 - £15,000, or medium/large projects requiring £15,001 - £50,000.

This fund is also open to applications that extend beyond one year. Multi-year bids will be awarded on an indicative basis, and will be subject to performance.

Green Fund Projects must take place in Croydon, and should deliver an environmental benefit linked to at least one of the following priority areas; environmental protection, green living, sustainable lifestyles.

Projects should also demonstrate, using clear evidence, a link to the priorities outlined in our [Croydon Council's Corporate Plan](#) e.g.; reducing social isolation and creating a greater sense of community involvement, creating an environment where our young people thrive and reach their full potential, providing volunteering opportunities, particularly hard to reach groups

Organisations should be non-profit and be at least informally constituted, which means having a bank account in the name of the group with a minimum of two signatories. Funding cannot be used to pay staff.

Blackhorse lane

The two bridges on Blackhorse lane that currently pass over the tram line and the Addiscombe Railway Park cycle lane were built in the 1880s as part of the old Woodside and South Croydon Railway. One is owned by London Trams (TfL) and the other is Croydon Council (LBC). The TfL Bridge failed its principal inspection with a report stating that "Blackhorse Lane Bridge poses a significant risk to the public in its current condition and there is a very high risk that failure of the structure could be sudden and catastrophic".

Due to safety considerations, restrictions on vehicles using Blackhorse Lane bridges were initially implemented. A one-way system was put in place in July 2016, but despite the best efforts to enforce this measure, it was regularly breached by vehicles, leading to the bridges being closed to vehicular traffic in August 2016.

Plans were subsequently worked on to introduce two new widened bridges to current recommended standards with a 120 year life span. The main construction work to

replace the bridges commenced in January 2019 and on Monday 9th December 2019, the first phase of re-opening Blackhorse Lane Bridge to traffic in one direction (southbound) took place.

At 10am on Tuesday 25 February 2020, Blackhorse Lane will reopen in full to two-way traffic. To facilitate the full reopening, Blackhorse Lane will temporarily be closed to all traffic between its junctions with Morland Road and Teevan Road during the times stated below:

- Monday 24 February 08:00 to midnight
- Tuesday 25 February midnight to 10:00am

This will allow for the safe removal of vehicle control barriers along the road. Local traffic will be temporarily diverted during this period via Morland Road, Woodside Green and Spring Lane. Traffic Marshalls will be present to assist road users.

Pedestrian access will not be affected and all walking routes will remain open at all times.

Emission-based parking charges

The permit scheme is one of a series of measures taken to help improve air quality and address parking access near to residential homes. It was developed in response to various national, regional and local requirements. These include the national Clean Air Strategy 2019, the London Mayor's Transport Strategy, and local community surveys with regards to residents' views on air quality and transport.

The number of cars on the road grew 39% in the last 2 decades and is today still growing 2% each year in Croydon. This is in part due to the way of society and also because the total cost of car ownership, including parking, is becoming relatively more affordable. The permit charges were last reviewed in 2013 and they no longer met their purpose.

The Council has a legal duty to manage traffic and parking conditions, having regard to the national air quality strategy. The emissions scheme is therefore designed to include a mix of permit charges reductions and increases. It should be noted that the charge for the lowest emission cars was reduced from £80 to £6.50.

Air pollution disproportionately affects the sick, young and elderly. Croydon currently has the unenviable record of the highest rate of hospital admissions for childhood (0-9 years) asthma in London (and London has the highest levels in the Country). Each year, 205 deaths in Croydon are attributed to air pollution. At the same time, the number of polluting cars on the roads has just kept on going up. The whole of the borough is already declared an Air Quality Management Area, for failing to meet the legal limit for the annual average level of harmful Nitric Dioxides gasses.

Localised areas with the highest air pollution disproportionately coincide with the controlled parking permit zones. These zones are also disproportionately in areas with higher levels of health deprivation and they are more densely populated with children and schools.

The emissions scheme is of course not just aimed at residents in permit zones. New emission-based permit charges are about to be rolled out to business and other permit users on 1st April. We are also investing in new smart technology that will enable us introducing emission-based charges in destination parking places, to encourage lower emissions from cars travelling into Croydon from the outside.

Many cars in the permit zones are in fact infrequently used and just take up valuable parking space. Residents tell about increasing difficulties in finding a vacant parking space near to their homes. Driving around the neighbourhood looking for an empty space adds to the congestion and pollution problems. There is a purpose in reviewing parking charges to try discourage such non-essential car ownership and to reduce pollution in the most congested permit zones.

The emissions scheme is of course not specifically aimed at residents. New emission-based permit charges are currently about to be rolled out to business and other permit users on 1st April. We are also investing in new technology that will enable us introducing emission-based charges in destination parking places, to encourage lower emissions from cars travelling into Croydon from the outside. The Council is also working with public transport provides, to improve the alternatives to the car, and we are investing in trees.

The emissions-based parking charges have not yet produced any measurable outcome. The average CO2 emission level for vehicles paying parking charges, including in all the 3 scheme phases, will indicate the trend in emissions reduction. Air pollution and public health are not single-cause static problems. It might be more difficult to correlate a general reduction in the background air pollution and public health directly to the parking charges.

Anecdotally, one resident has commented: "After looking at the costs of the permits I think emission based parking is a good idea. We have 2 cars in our family home, one of them registered before 2001. We will be getting rid of this car as we don't really need it, or drive it much. It is a higher polluting vehicle and it will save us money in the long run if we dispose of it and hopefully help our environment. Yippee. Well done Croydon Council".

School Streets

Building on the innovative pilots, the borough now has active School Streets at 13 schools. There are ongoing consultations at a further 11 schools, with view to implement those with favourable conditions during the second half of 2020. The policy decision is to reach 50 schools in 2022/23, after which we would probably have exhausted the straightforward locations.

The combination of more cars on our roads and more children coming into school age is creating traffic and parking pressures at the school entrances. At the same time, many journeys that were previously considered easy walkable are increasingly made in the car; ironically often because of the fear of cars. It is for example evident in recent consultation responses that parents living as close as 150 to 300 metres from the school feel it is essential to use the car, because of a perception that it is unsafe to walk.

Although the traffic and parking situation near school entrances is chaotic and hostile at times, there are fortunately not many serious accidents. We do however have very serious public health concerns from poor air quality and inactivity, which are the indirect result of car use. These health impacts are not alleviated until parents stop needless car use. However, parents will not stop using the car until the school entrance feels safe.

A School Street turns the road into a pedestrian and cycling zone at the start and end of school days. This is demonstrated to successfully support the educational behaviour change efforts of Council's Road Safety and School Travel Planners.

A national survey of head teachers at School Street schemes suggest that children who walk or cycle arrive at school more alert, happier and ready to work (UK100, August 2019). In Croydon, head teachers further report improved punctuality and uptake in breakfast clubs. The School Streets thereby supports both child health and learning opportunities.

The School Street also supports local residents. The chair of one residents association has commented six months after the introduction: "It's been such an improvement to the residents, but I notice the parents and pupils seem less manic with a more relaxed feel morning and afternoons. It would be such a shame to go back to the pandemonium we used to have. We have recently paid to have the entire verge cleared and litter picked - much because this scheme has made us feel prouder of the road now it is calmer and we don't have the daily abuse we all used to dread".

Healthy School Neighbourhoods

We are delivering proposals for delivering Healthy School Neighbourhoods (HSNs) around two clusters of schools within the borough.

The first HSN is in Upper Norwood focused around Cypress Upper and Lower primary schools and Harris City Academy Crystal Palace with physical interventions and proposals for introducing low traffic neighbourhoods in the vicinity of these schools including a School Street on Cypress Road. In addition to the School Street proposals, new pedestrian facilities and modal filters are all being proposed. A School Street is due to launch in Cypress Road by the end of the month alongside additional lining works to prevent impacts on congestion and bus services on Auckland Road. Proposals for a raised zebra crossing and additional been designed up by Highways

and is due to go out to consultation shortly with implementation in the new financial. Additional behaviour change measures such as the Bikelt Plus scheme and STARS are being rolled out at the schools. £190k LIP funding allocated for 2020/21.

The second HSN is in Broad Green around the following four schools: Chestnut Park primary school, Elmwood Infants School, Elmwood Junior School and Ecclesbourne School. An ivy green screen is being funded and installed in Elmwood Infant school as part of the project and we are liaising with Chestnut Park to introduce public realm and greening improvements outside the school that will improve road safety and air pollution. Traffic surveys have been commissioned to inform work on developing proposals to redesign the streets around the schools to reduce motor vehicle dominance and encourage active travel. £160k LIP allocated for 2020/21.

Walking and Cycling

New cycle paths have been installed at Bedford Park and at Fairfield, (the latter, as part of the enablement works to support the opening of the Halls). Cycle schemes have been completed in Lloyd Park, Wandle Park and Park Hill Recreation Ground. Further proposals have been developed for walking and cycling improvements in the Town Centre – for the High Street, Old Town and East Croydon – which will be progressed further this year. Design work is being progressed for routes connecting into the Town Centre including as part of the ‘Corridors’ programmes. The proposals will improve conditions for walking and enhance the pedestrian experience by enhancing crossings, signage, footpaths etc.

As noted above, £9.56million of TfL ‘Livable Neighbourhoods’ funding has been secured for the Old Town and Roman Way area, to be used for improvements to walking and cycling infrastructure, public realm, freight consolidation and travel behaviour change.

Street Trees

This is rather a short report since my last Bulletin (January 2020) as we are approaching the end of the planting season, however, there are plans afoot for the forthcoming year and I will be sharing these with you over the next coming months.

Since my last Bulletin, this season’s tree planting is more or less complete and we are now looking to plan the next round of street tree planting 2020/2021. A total of 663 street trees have been planted; in addition a further 187 trees planned for planting this season has had to be delayed due to the complexity of introducing tree pits in areas of dominant underground services, therefore delaying planting until November 2020. However, we are pressing on with this side of the Project and currently working in Escourt Road (located off Portland Road), whereby the residents will shortly be involved with the selection of trees; this is the ‘start’ of introducing trees into streets devoid of canopy and the project has been met with great enthusiasm by the residents.

As reported in my last Bulletin, the Project was successful in obtaining grant funding of £360k from the Urban Tree Challenge Fund, and surveying in the nominated Wards will commence the next coming months.

After a successful first year, the Capital Street Tree project is set to break its target again by planting 850 street trees, mainly concentrating on Wards located in the north of the Borough.

Since my last Bulletin, the Project has been successful in obtaining grant funding of £360k from the Urban Tree Challenge Fund, "A £10 million scheme to plant more than 130,000 trees across England's towns and cities which forms part of the government's commitment to plant one million urban trees by 2022", to plant 800 street trees in 2020/21. We will be concentrating the tree planting in Wards which have been identified by the Forestry Commission to having a 20% lower tree canopy than other areas of the Borough.

I was delighted to be involved with the National Tree Week (late November) and met up with a local resident, who campaigned for planting flowering Cherries on Cherry Tree Green. This initiative was achieved by funding from the Mayor's Greener City Fund which will also provide trees at several 'sheltered' housing sites located in the north of the Borough;

I am very proud of this particular project as in my opinion we are bringing trees to people who in most cases do not have the ability to visit their local green space or in fact walk down a tree lined street.

Now it is 2020, the Country will be gearing up for the Tokyo 2020 Olympics and as part of this exciting event, we have been awarded 80 Sakura Cherry trees from the Japanese Society last year; we have been waiting patiently for the trees to finish their quarantine period and looking forward to seeing them being planted this coming November. The Trees & Woodlands team are currently working in partnership with the Friends of Addiscombe Recreation Ground (30 trees) and Sanderstead Recreation Ground (50 trees) to deliver this exciting community project.

London Plan

The Croydon Local Plan Review is well underway and the first stage of consultation on the Issues and Options Document concluded in early January. I would like to thank all those that took time to engage in the consultation and comment on the Issues and Options Document. These comments will inform the production of the next stage of the Local Plan Review to be published in the Autumn. A key issue outlined in the Issues and Options Document is the housing need and target for London and the borough. The borough's housing target is set out in the London Plan. The adoption of the new London Plan is currently subject to the Secretary of State's response to the Mayor's Intend to Publish version of the new London Plan, following receipt of the Planning Inspectors' Panel Report, which is recommending a reduced housing target for London and Croydon from the version of the London Plan submitted for Examination. The next Local Plan Review draft will have regard to Croydon's housing target adopted in the New London Plan.

Development Management Finances

The Council prides itself in effective and efficient management of the town planning budgets – with resources being utilised to deliver on increased service demands, including the number and complexity of planning application submissions

Our income target for 2019-20 was £3,566,000 (made up of planning application, pre application and PPA income). At the end of January 2020 we had secured £3,411,343 of that income with a system projection of £4,103,000 by the end of March 2020.

The increased income has been accompanied by additional workloads which has meant that we have been required to find additional resources such as staffing. Our fee target for next year will be around £3.8 million

Planning Decisions Throughput

Since my last Bulletin, between 25th November 2019 and 14th February 2020 we issued 833 planning decisions, which gives a clear indication as to the level of development activity taking place across the borough (both large and small scale projects).

In accordance with the National Planning Policy Framework, we pride ourselves in trying to resolve issues as part of the planning application determination process, with an emphasis on pre application discussions, rather than just refusing planning permission. During the above period, just over 15% of submissions were refused/not

accepted by the Council. We also had a relatively high success rate on appeal (1st December 2019 to 31st January 2020) with a 74% of appeals dismissed.

New homes bonus

In 2020-21 Croydon Council will receive £2.7m in New Homes Bonus grant for the housing deliver in 2019-20 - this is the second highest allocation to the Council since the mechanism began. Along with payments for previous years, Croydon will receive a total of £7.3m in New Homes bonus next year, which will be used to support service delivery for all communities across the borough.

Regeneration projects delivered over the last year and proposed 2020/21

Thornton Heath

We are currently completing a £2.7m programme of NHB funding investment in public realm, shop front improvements and public art in Thornton Heath. The scheme provided 11,615 sq.m new / improved public realm in key locations: Parchmore Road Junction, Thornton Heath Library and Whitehorse Roundabout; and building front improvements including 24 improved shopfronts, repainted uppers/parades and four large-scale pieces of wall art in collaboration with the local community. Through the scheme, a new event space is being created at the forecourt of Ambassador House – a key gateway into the high street from the station. Works will complete shortly ready for a programme of events across the summer. A number of events have already taken place on the space giving residents a chance to try out a number of fun ways to get more active.

Kenley & Old Coulsdon

With support from the Mayor of London's Good Growth Fund, the Council has carried out extensive engagement with all those who work, live or spend time in the neighbourhood. Between May and September 2019 a number of engagement events and activities were held to help shape the vision for the future of the neighbourhood. Based on the outcomes of this engagement, a Community Plan has been created to guide the way that Kenley evolves and prioritise what the community needs. More information and a community survey is available here:

<https://getinvolved.croydon.gov.uk/project/554> A second stage bid for £900k to the Mayor's Good Growth fund was submitted in February, based on the priorities identified through the Community Plan process.

New Addington

The council's stunning new leisure and community centre in New Addington opened to the public on Friday 3 January. The multi-million-pound development is the latest step in a major regeneration project which will radically transform the western side of Central Parade; the first phases of which has already seen about £5m investment in the last five years.

The modern leisure centre, with extended sports and leisure facilities, includes a 25-metre, six-lane main swimming pool and a learning pool, an extensive fitness suite, sport halls and multi-purpose activity studios – hosting all the latest branded classes. The on-site cafe will provide much needed post workout refreshments.

Next month, design work will begin on the next phase of regeneration (including a new wellbeing centre, retail and workspace and new homes) to create a new high street frontage to the western side of Central Parade.

Norbury

A new community planter has been created at St Helen's Triangle through the work of local volunteers.

Norbury Hall Park toilets are being refurbished and reopened.

A new Regeneration Steering Group has been established and they have led on the development of agree a list of priorities for investment and intervention in the neighbourhood.

Selsdon

In Selsdon, local ward members, supported by the council, are leading on the development of a Community Plan which will identify priorities for future investment and intervention.

South Norwood & Woodside

Building on their 2017 Community Economic Development Plan, We Love SE25 worked with Council Officers and the GLA to develop the We Love SE25 Community Plan in November 2018: <http://www.welovese25.org/plan/> . The success of the Plan led to the Council securing a further £2.3m from the Mayor of London's Good Growth Fund for a variety of interventions across South Norwood, including a specific focus on improvements to several local community buildings and empty commercial properties along the area's two main high streets, along with a programme of business support and place-making. The Council is now working with We Love SE25 and other key community groups across the neighbourhood to plan and implement each of the interventions.

Projects currently underway:

- Socco Cheta: investment in the building is currently being planned to provide a more fit-for-purpose community hub and a new consortium group has been established to manage the space once work is complete.
- Portland Bridge lighting: following consultation with the local community, a new lighting installation has been designed which will lighten up the underpass and provide a safer and more welcoming gateway into the town.
- A new business support programme is being established to support small and local businesses to continue to thrive in SN high street.
- A place-making programme will shortly be commissioned to make improvements to the public realm and environment around the High Street and Portland Road.
- Further work is underway to bring empty shop units back into use and encourage meanwhile and place-making opportunities.

Successful funding bids made by regeneration

- The Council is through to the second stage of a Good Growth fund bid for Kenley which would provide a further £900k of funding from the Mayor of London to support a number of investments and interventions to improve community and social infrastructure in the area and support a number of public realm improvements and public transport and walking and cycling connectivity. A funding decision is expected in March.
- The Council is also through to the final stage of a High Street Heritage Action Zone project for South Norwood. If successful, the programme will provide £1.1m of investment from Historic England to improve the high street frontage in South Norwood and deliver a 4 year programme of business and community engagement and cultural programming.
- Thornton Heath has recently been awarded one of the Government's new High Street Task Force pilot projects. This will see the area receiving 12 months of advice and guidance from a team of experts to review the opportunities to strengthen the high street and safeguard it's future.
- Purley Way Masterplan: This year the Council's Spatial Planning Service successfully bid to the Mayor's Homes Building Capacity Fund to secure £311,000 to develop a concept masterplan, detailed masterplan, dedicated Local Plan Review chapter and delivery strategy for the Purley Way. The work is looking to transform the environment of the Purley and facilitate a step change in residential and mixed use development, whilst not prejudicing the Strategic Industrial Locations and their intensification. The dedicated Local Plan Chapter and concept masterplan will be published as part of the Local Plan Review in the Autumn of this year.

Growth Zone Corridors

We are planning for improvements to 3 key routes which provide access from the wider borough to the town centre – London Road, Mitcham Road and Brighton Road. These will focus on encouraging walking, cycling and bus travel along and around these streets, and improvements to public spaces, with the intended associated benefits of improving air quality and increasing personal and road safety. In the next year, we will be speaking to local residents, businesses and community groups to inform proposals for two public spaces along the London Road at Norbury and Broad Green, alongside progressing design and modelling work for the wider improvements on all 3 streets.

Growth Zone expenditure

Delivering the Growth Zone is a key priority of the administration to enable and support investment in jobs, housing, economic growth and the regeneration of the Town Centre. The benefits of the Growth Zone will be realised across the whole borough.

The total Growth Zone programme capital expenditure over the next 3 years is £78million. The distribution of this funding across the Growth Zone themes are as follows:

Growth Zone Workstream	Committed funding 19/20-22/23 (£000's)
Transport	35,434
Public Realm	23,526
Construction Logistics	1,474
Parking	1,125
Culture	3,500
Smart Cities	2,721
Social Infrastructure	8,400
Employment and Skills	800
Energy	1,020
Total	78,000

Major Projects

Leon Quarter

Having made a resolution to grant we currently await the Mayor's Stage 2 response on this scheme for the redevelopment of the site to provide a mixed use development within three buildings up to 31 storeys, providing up to 359 residential units and flexible units for retail, new public square and landscaping. 30% affordable housing will be secured in the scheme.



Edridge Road

We have been working with the applicant to amend the scheme and are working towards presentation to Planning Committee soon. The scheme is for the erection of a part 33 storey, part 11 storey and part single storey building providing approx. 240 residential units, communal roof terraces and amenity spaces. Up to 46 units are to be secured as affordable housing.



AMBITIOUS FOR CROYDON

College Tower

Officers are currently finalising the agenda for the 27th February Planning



Committee, with the scheme being recommended for approval for redevelopment to provide a part 49 storey and part 34 storey building with basements, comprising 817 co-living units within Tower A and 120 residential units within Tower B, a cafe and community use. The scheme would deliver over 30% affordable housing by habitable room.



Fairfield Homes

Officers are reviewing the scheme for erection of five buildings ranging in height from 7 to 29 storeys to provide 421 residential flats (Use Class C3), flexible commercial space at ground floor of Building A (Use Class A1/A2/A3) and Buildings C and E (A1/A2/A3 and/or B1/D1 or D2) and working with the applicant, targeting a Planning Committee soon.

Timebridge School

An application is being reviewed by officers for erection of new two storey SEN school, new access, car parking, play areas, landscaping and associated works.



CIL and section 106 receipts and allocation

The Council continue to collect income from Section 106 Agreements and Community Infrastructure Levy (CIL) to mitigate the impact of developments consented through the planning process. With regard to the borough's CIL from 1st April 2013 to 31st March 2019 a total of £27,283,607 was collected. To date, £11,514,051 of Borough CIL has been assigned to projects on the Council's CIL Infrastructure List, on the Council's Capital Programme and in the Infrastructure Delivery Plan to mitigate the impact of *development*.

Subject to the necessary approvals and by the conclusion of the 2019/20 financial year, a further £7,200,000 of the borough's CIL will be assigned to projects on the Council's CIL Infrastructure List, on the Council's Capital Programme and in the Infrastructure Delivery Plan to mitigate the impact of development. The borough's CIL Local Meaningful Proportion continues to fund Ward Budgets.

In terms of Section 106, between 2016 – 2019 the borough collected £4,673,306 of Section 106 income. During the same period the Council's Infrastructure Finance Group has assigned £5,600,384 to projects that accord with the parent Section 106 and form part of the Council's Infrastructure Delivery Plan as project to mitigate the impact of development. At the end of Quarter 3 2019/20 the Section 106 balance sheet was £10,064,168.

Further detail regarding the collection and assignment of CIL in include in the CIL Annual Monitoring Reports and Section 106 expenditure is published on the Council's website quarterly.

Building Control

Building Control income is currently looking to achieve c.£950k, because of the profile of the trading year in construction, the winter months are the leanest with an upturn normally occurring towards the end of the financial year. This year has been particularly lean with a notable decline in profitable projects attributable to the Brexit effect. The Building Control Trading Account runs over a 3-5 year cycle to offset the peaks and troughs and to allow for projects which may take several years to complete and to this end surpluses and deficits are carried over or met from the reserve fund.

The idea of Croydon Building Control operating as a Local Authority Trading Company, to address long-term sector wide issues of recruitment and resilience is still being worked on tentatively while we wait for future direction from the MCHLG following the Hackkit Report and the setting up of a Building Safety Regulator (BSR) under the HSE. This BSR arrangement is expected to operate at a local level with LABC and Fire Authorities but the information released to date suggest that Building Control could return to much more of an enforcing body under the HSE than the currently competitive environment with Approved Inspectors.

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Culture, Leisure and Sport Cabinet Member Bulletin Councillor Oliver Lewis March 2020

LATEST NEWS

London Borough of Culture

Croydon wins London Borough of Culture 2023

Croydon has been named London Borough of Culture for 2023, fending off competition from across the capital. The Mayor of London Sadiq Khan announced the borough's bid and the £1.35m funding award at City Hall on Tuesday 11 February 2020. In total Borough of Culture will bring in over £4.4m to engage residents in creating and enjoying culture in Croydon.

Croydon 2023 will celebrate the borough's rich artistic heritage, creativity and diversity, and its strength and resilience as a town that always looks to the future, promoting inclusivity and ensuring no community is left behind.

At a time when political, environmental and economic uncertainty has dominated the headlines, it will empower local communities, demonstrating how the arts can lead change.

With 10 flagship cultural events and hundreds of community projects, Croydon's ambitious programme will involve 20,000 participants, every school, 300 volunteers, audiences of over 250,000 and over 1,500 artists. More information can be found at www.croydon.gov.uk/thisiscroydon



AMBITIOUS FOR CROYDON



Culture, Leisure and Sport

Cabinet Member Bulletin

Councillor Oliver Lewis

March 2020

Culture

Through our existing culture work we are already investing in our cultural economy. Our work through Music City and Croydon Enterprise Zone brings in millions of pounds to support our live music scene and creative and cultural enterprise sector.

The council also operates 2 grants funds to support culture and creativity:

- Croydon's Cultural Partnership Fund (CPF) is designed to offer partnership funding for cultural projects benefiting Croydon residents. It aims to get more cultural projects, programmes and events taking place across the borough and more funding for culture coming in from other third party funders.
- Youth Arts Fund (YAF) offers grants of up to £7,500 for projects where young people (under 25) are actively involved in the development, leadership and delivery of projects. Priority is given to projects involving young people not previously involved with the arts and from disadvantaged groups and to projects that increase access and participation.

40 applications have been received in the past year, 27 for the CPF and 13 for the YAF. £177,223 has been awarded across 34 projects which has levered in £651,890 additional arts funding – for every £1 invested by Croydon £3.68 has been invested by organisations such as Arts Council England (ACE).

£42.6m has been invested in Fairfield Halls to deliver a high quality heritage led renovation; our partnership with BH Live the operator of the Halls is delivering an inclusive and interesting programme. We are shaping the programme and bringing in additional funding by working with our culture network to create and deliver new Croydon led cultural content at the Halls and beyond.

Parks & Green Spaces

The Allotments Capital Programme, will see £360k invested across our 6 directly managed allotment sites continues and is due for completion by Summer 2020. These improvements to facilities and infrastructure will address common issues experienced on site improving accessibility, security and improving health & safety. This is important as the Council continues to support food growing, physical activity and reducing social isolation amongst our residents.

The Playground Investment Programme is in full swing and an exciting response to the procurement exercise is expected in March. Community engagement will be taking



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place in Spring and early Summer so that our local children will be enjoying the first new playgrounds during this Summer. By the end of the programme in 2021, more than £500k will be spent on delivering 6 innovative and creative playgrounds across the borough, ensuring that our young population have the opportunity to play and be active from an early age.



Our masterplan parks have seen lots of activity of late and this is also set to continue. New fishing platforms and a cricket wicket can be found in South Norwood Lake & Grounds and a new outdoor gym and trim trail at Norbury and Ashburton Parks respectively. Norbury Park will also benefit from the installation of a new non-turf pitch cricket wicket in late Spring, and The Friends of Park Hill Park have done fantastically to raise more than £30k to invest in accessibility infrastructure and a performance area in the Walled Garden, which we expect visitors to be using after Easter 2020.

Meanwhile, officers continue to deliver against the Leisure Facilities Action plan and the flagship project underway is the relaying of the athletics track at Croydon Arena. Expected for Summer 2020, this new track will coincide with the 100 year anniversary of the oldest running club in the borough, Croydon Harriers.

Libraries

Since bringing the library service back in-house Croydon has embarked on a major investment programme, to upgrade, modernise and improve all its libraries. £5m has



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been allocated within the council's capital programme for capital improvements to libraries, which was approved by Full Council on 4 March 2019.

£1.2m has been allocated for updated IT equipment and full fibre broadband network, which has been delivered in 11 of 13 libraries, and is already making a difference to footfall and IT usage. The first refurbishment, and a pilot for the design and technical improvements, was Selsdon Library, which opened in August 2019.



Work on the new South Norwood Library in Station Road is continuing, and the library is now due to open in Summer 2020. The hoardings have recently been removed, revealing a large library frontage in this prominent corner position in a busy shopping area.

Library users in Norbury were invited to a special preview of the updated designs for their new library as the redevelopment continues to progress.

Work is already under way to restore the original decoration of the roof and to update the community hall above the library, which will be re-named in memory of Councillor Maggie Mansell who was first elected in 1986 and died in January 2019.

A new lift will make it easy to access the upstairs space, while new lighting will be installed, creating a brighter, lighter, more modern and welcoming environment throughout the building.

Young readers will be excited to see plans for the children's library which is moving into a new vibrant and colourful space.

The drop-in event took place in Harlow Hall, Oakhill Road, and visitors had the chance to choose their favourites from a selection of photos celebrating the history of Norbury Library, which has been open since 1931. The most popular photos will be displayed in the new library.



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The library's book stock will be refreshed as part of the upgrade. During the works members will still have access to six million books from more than 200 libraries as well as eBooks, online magazines, newspapers and more, now that Croydon Libraries are part of The Libraries Consortium.

Since joining the Consortium, Croydon have benefitted by paying less for more online resources, for example increasing the offer of online magazines (RB Digital) from 50 to over 700 titles for the same price, and offering another collection of e-books and e-audio; comics; and access to The Great Courses, Qello and Indieflix streaming. All these resources are available through the Croydon website and also through MyLibraryApp.

Croydon Libraries have invested in two new National Campaigns from The Reading Agency:



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Reading Well launched on 3 February 2020 Reading Well for Children is a brand new booklist designed by The Reading Agency to help children cope with feelings, worries, daily life and getting through a tough time. Available now in your local Croydon library branch. <https://reading-well.org.uk/news/announcing-reading-well-for-children>



Reading Friends - The first Reading Friends group started in February in a Thornton Heath residential home. Reading Friends is a UK-wide social reading and befriending programme that's been developed by the Reading Agency to tackle loneliness in the community. The main aim is to connect people by starting conversations through reading either in a group setting or on a one-to-one basis. Two volunteers have successfully been recruited to deliver fortnightly sessions and we are hoping to roll out two more groups across the borough.

SPINE Festival 5-14 March

SPINE Festival is for children, young people and families and takes place each year in libraries situated at the heart of London's communities. Croydon is one of 17 London boroughs participating in the Festival. Now in its sixth year, the theme for 2020's festival is Our World. Croydon children will be celebrating young people's power to change the world and the future of our planet. Expect to be surprised, inspired and entertained!





Families, Health and Social Care

Cabinet Member Bulletin

Councillor Jane Avis

March 2020

Welcome to my February Bulletin.

As you would have read in my previous bulletins, we have achieved a lot in Health, Wellbeing and Adults over the last financial year, despite our financial challenges. So my opening is to thank our dedicated council officers and the many volunteers and carers who help us deliver a great service to the residents of Croydon.

We have continued to deliver excellent social care services against a backdrop of decreasing funds and increasing pressures.

The demand for adult social care has risen consistently over the last decade and, as we move in to a new financial year, the pressures are predicted to continue despite small injections of funds. Our budget planning is severely impacted by the continued delay of the Social Care green paper, being unsure about the social care funding from central Government and any impacts of Brexit.

An arising area we are noticing is that some members of our older population, who have previously been able to pay for their social care, can no longer do so. We know this is a national problem and I am looking forward to seeing how this will be addressed by the new Government.

Looking to the future I believe that the integration of health and social care is key to making lives better for people who require support. Working in localities, building on peoples strengths and thinking in creative and innovative ways can ensure that our residents can live healthy, happy and independent lives.

Commitment to our Carers

I know that some of you are concerned about the recent planning application approval for the floors above the Carers Support Centre in George Street to be converted into residential dwellings. The use of the ground floor as a Carers Support Centre remains unchanged.

I want to assure you that we are committed to our valued carers and the excellent support provided by the Carers hub.

Guy Van Dichele has met with colleagues from the Carers Support Centre and the Whitgift Foundation to discuss ways to ensure the service continues, along with supporting the staff at the Carers Support Centre to minimise any impact on them, and our carers.

On 1 April 2020 the council will enter a new contract term with The Whitgift Foundation in order to provide a Carers Support Centre for carers in Croydon. This contract is for three years and includes activities, workshops, information & advice, telephone support, a café, 1-to-1 appointments, respite, carer assessments, counselling and much more.

I will keep you updated in future bulletins.

Chief Executive of Croydon Mind retires



Richard Pacitti, Chief Executive from Croydon Mind has retired after nearly 30 years.

Richard has been an excellent advocate for mental health, and achieved a tremendous amount during his career. Our recent partnership work with hoarders in Croydon gained a lot of praise and continues to be a success.

Last year was Croydon's largest World Mental Health Day event – raising awareness, showcasing excellent work and raising money for Mind in Croydon.

We wish Richard a long, happy and healthy retirement and look forward to working with the new CEO.

Dementia friendly screenings at the David Lean Cinema

For a second year The David Lean cinema has organised Dementia friendly screening of films once a month. Lights are turned down low and people are free to join in with the singing and dancing on screen should they wish to.

The cinema has included more culturally diverse musicals this year to appeal to a wider audience and the film schedule includes Carmen Jones (1954), starring Harry Belafonte and Dorothy Dandridge and Bollywood hit Parineeta (2005), starring Vidya Balan, Saif Ali Khan and Sanjay Dutt. Along with musical favourites Singin' In The Rain and Hard Day's Night



Admission is £1 on the door for people living with dementia (their carers get free entry). Free tea, coffee and biscuits will be available before shows.

The screenings are part of the David Lean Cinema's work with the Croydon Dementia Action Alliance (CDAA) to support the borough's commitment to become a dementia friendly town. There are more than 20 local organisations who are members of the CDAA, including Croydon Council, the local NHS, emergency services, the voluntary sector, Age UK Croydon and more.

For more information and bookings for the dementia-friendly films, visit www.davidleancinema.org.uk/dementia-friendly-screenings/

Fizz Free February

We are taking action to lower obesity rates by supporting residents to be healthier and make smart sugar swaps like ditching fizzy drinks and drinking more water.



Pledging to go fizz-free this February is beneficial as it will help people to reduce their daily sugar intake, which can reduce the risks of getting ill caused by consuming excess sugar and can also save money.

- Drinking just one 330ml can of fizzy drink a day could add up to over a stone of weight gain per year.
- Tooth decay is the leading cause for hospitalisation among five to nine year olds in the UK, with 26,000 children being hospitalised each year with the condition, that's 500 each week.
- You can save £438 a year if you stopped drinking one bottle of soft drink, per day for a year.

Drinking water instead of fizz can be easy by filling up your reusable water bottles for free at a Refill station inside a local business. Participating businesses will display a Refill window sticker or you can find a site via the Refill app – the download details are available at www.refill.org.uk

There is more information to help people be sugarsmart the website www.croydon.gov.uk/sugarsmart

Improving our website



Croydon Digital Service (CDS) are looking for people to take part in user research on our website, particularly people who may need information about adult social care, for example such as care at home, occupational therapy or support for a disability.

Please contact the user research team for more information:
userresearch@croydon.gov.uk

I hope you find this bulletin interesting, if you would like to contact me about anything, please do so on:

Correspondence: **Business phone:** 07710 184 921

c/o Town Hall **Email:** jane.avis@croydon.gov.uk

Katharine Street [Online information](#)

Croydon

CR0 1NX



Safer Croydon and Communities

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Councillor Hamida Ali

March 2020

Safer Croydon

FGM- Let's Talk about it

Following a very successful conference with practitioners across services in Croydon on FGM in November, a training session for Croydon's education providers was also hosted on 26 February 2020. The session provided practical support to those faced with identifying girls and women at risk, and how to initiate dialogue with potentially affected girls, women and their families.



In partnership with the National FGM Centre, the Council has also recently recruited a FGM social worker to aid the wider social work team in supporting girls at risk of FGM. The Policy & Partnerships team is currently working with partners and colleagues in the NHS to review the current FGM Strategy which expires in 2020. The Council plans to hold another conference later this year aimed at voluntary and community sector organisations, including faith groups, to raise awareness and build partnerships with these communities to further the work towards eradicating FGM.

Further Investment in Croydon's Violence Reduction Approach

[Young Londoners' Fund awards Croydon £1.2m for work to reduce youth violence](#)

The New Year has seen some important successes in attracting external funding to the borough to help us in our efforts to support vulnerable residents and reduce violence.



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Croydon has won the highest tier of available funding from the Young Londoners Fund – at £1.2m - to form the Croydon Community Partnership Against Trauma, which will provide trauma training, mental health support, mentoring and diversionary activity to help nearly 1500 young people over three years. Community groups will lead the activities and they will be co-ordinated by Croydon Voluntary Action, with support from Croydon Council

Red Thread, DRIVE and IRISi

Red Thread will be coming to Croydon University Hospital. Their proven model supports young people at risk who've sought medical help. The service is mobilising now and will be up and running in the early summer.

MOPAC are investing in further domestic violence support in the borough. The perpetrator pilot project, Drive, has been extended for a further year. GP support project IRISi is also coming to the borough, this work improves awareness in GP practices and is proven to increase referrals to specialist domestic violence support.

Attracting external funding to support Violence Reduction is a key part of our strategy. We hope to build on this success throughout the year. These cases demonstrate that too many online retailers are both not matching the practice of street retailers in meeting the law or playing their part in keeping our young people safe.

Communities

Rent subsidy scheme

Voluntary and Community Sector (VCS) organisations that occupy a Council-owned building are invited to apply for funding. If successful, it will be awarded for 3 years and cover up to 100% of the contractual rent. Eligible organisations must:

- be community led, a co-operative or a social enterprise;
- have good governance;
- be capable of sustainably, legally and safely managing an asset and delivering services;



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Councillor Hamida Ali

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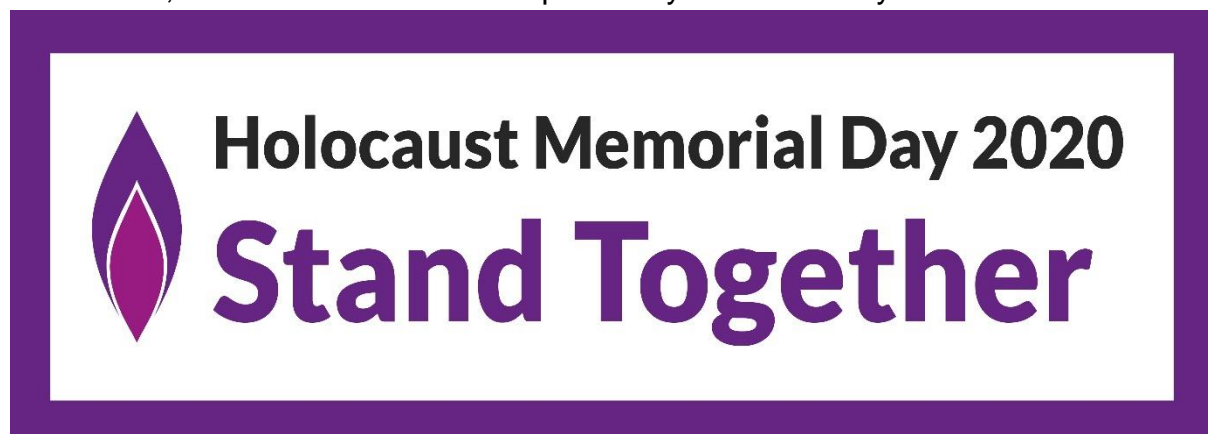
- rent or lease a property owned by the Croydon Council.
- meet our minimum reporting requirements
- be willing to offer space (if available) and support to smaller groups
- provide 75% of their services to Croydon residents.
- be providing services that support the priority outcomes of the council's [Voluntary and Community Sector Strategy](#) . The closing date for applications is 7th March with decisions announced at the end of April. You can apply here <https://www.croydon.gov.uk/community/advice/rent-subsidy-scheme>

Croydon Community Grants

The January round of Croydon Community Grants saw 45 applications submitted. As with the previous round, the high number of applications and relatively limited budget means some tough choices will have to be made. Decisions will be announced in March. The fund will be open for new applications in May - <https://www.croydon.gov.uk/community/advice/tsfunding/funding/community-grants>. For details of other funding opportunities, please visit - <https://www.croydon.gov.uk/community/advice/tsfunding/funding>

Holocaust Memorial Day

Holocaust Memorial Day is a day for remembering victims of the Holocaust and more recent genocides. In Croydon in 2020, the event was marked on Monday 27th January in traditional manner with a public candle-lighting ceremony in the Town Hall foyer, followed by a civic event in the Council Chambers. This event was chaired by Cllr Hamida Ali, Cabinet Member with responsibility for Safer Croydon and Communities.



The civic event featured a presentation from Mr Safet Vukalic a Bosnian survivor now living in the UK, and performances from local schools.

These included;



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- Music from Trinity School and Whitgift School
- Presentation from Oasis Coulsdon and Riddlesdown Collegiate
- Faith leaders standing together

Children from across Croydon were also invited to enter an essay competition based around the International Holocaust Memorial Day 2020 theme, “Stand Together”, as part of the borough’s celebration. The winners were chosen by the Standing Advisory Council on Religious Education committee.

The winning secondary competition entry, written by Gurinayat Kaur and Gurmehek Kaur twins from Oasis Academy Coulsdon, and the primary school winner was Felix from St Peters Primary, were read at the civic event in the Council Chambers.

Other activities that took place in the borough included;

- exhibition for Holocaust Memorial Day in the central library.
- Screening of film in the David Lea Cinema

It is events such as Holocaust Memorial Day which remind us about the importance of reaching out to others and of the importance of uniting to face those with extreme views who seek to divide us.





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Celebrating LGBT+ History Month

LGBT+ History Month celebrates the lives and achievements of the LGBT+ community in the UK. This event is led by Croydon Council in collaboration with Croydon Pride and Croydon Area Gay Society (CAGS). The month aims to promote tolerance and raise awareness of the prejudices faced by lesbian, gay, bisexual and transgender people.



On Thursday 6 February Croydon Council around 100 people celebrated the launch of LGBT+ History Month, celebrating the LGBT+ community.

The launch event was held for the first time at Fairfield Halls with an evening of performances and a panel discussion and Q&A on: How is LGBT+ History represented in performance.



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Panelists included:

- DJ Ritu – Global Beats DJ, Radio Presenter and founder of Club Kali – The world’s longest running LGBT+ club playing eastern / Bollywood beats
- Vinicus Salles – Choreographer, Errant Dance Company / Tutu Troubles
- Ella Golt aka Richard Melanin, The Third
- (Chair) Paula Goodwin - Croydon Pride

Performances in the Arnhem Foyer included Rainbows Across Borders Chorus, who are a Croydon based voluntary self-help group for lesbian, gay, bisexual & transgender (LGBT) asylum seekers who are fleeing persecution of oppressive homophobic/Transphobic regimes. Katie Rose and Sarah Fisher with Welcome Choir who performed songs celebrating the work of LGBT artists ended with a dance music legend, founder of Club Kali and trailblazing broadcaster DJ Ritu, the voice behind the UK's definitive global music show, A World in London, who played club classics for people to dance along to.

Speeches on the night from The Mayor of Croydon, Cllr Hamida Ali and Jo Negrini highlighted the significance of the month.



<https://www.croydon.gov.uk/community/equality/lgbt-history-month>



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Croydon Celebrate Black History Month

Every year in October, Croydon joins the rest of the UK in celebrating black history month. Croydon BME Forum work in collaboration with Croydon Council to create a range of events and activities throughout the year to celebrate Black History Month in Croydon.

Croydon BME Forum will be launching the Theme for this year's Black History Month at the end of March. Launching the Theme early in the year encourages organisations to prepare and put on activities during the course of the months

Sign up for this year's Big Lunch Street / Park Parties

Croydon residents will once again show their community spirit and will be putting on street parties on Saturday 6th or Sunday 7th June 2020 for this year's Big Lunch.

In previous years, residents from across the borough have gained memorable experiences, coming together to share food and celebrate with neighbours

We expect as many people as possible will take this chance to mix with their neighbours, the council is doing all it can to make it really simple to set up a Big Lunch street or park party. The costs of closing your road will be covered, and the council will even provide road-closure signs – saving your street more than £1,000.

All it takes is a 10-minute visit to www.croydon.gov.uk/biglunch, to apply to hold your street or park party and we will do our best to help you make your event a success.

You will just need to say where the event is to be held, what sort of facilities will be offered – such as if you plan to sell alcohol or intend to provide catering from an outside source – and when you want to hold it. For the latest application deadlines and answers to frequently asked questions, or a list of available green spaces, visit www.croydon.gov.uk/biglunch

The Big Lunch website – at www.thebiglunch.com – has a useful frequently-asked-questions section, offering advice on a range of issues, including the important subject of public liability insurance. You will also find details of discounts arranged with insurers.

For details of last year's events, or to gain inspiration and information on organising an event this year, visit The Big Lunch website. You can view some of the very many parties that took place last year by clicking this link [Croydon 2019 Big Lunch pictures](#)



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Join The Big Conversation and help shape Croydon's future



This week the Big Conversation's focus turns to the environment and asks what changes you'll be making to do your bit for the planet?

Could you recycle more, avoid jumping in the car for short journeys or shop more sustainably? Whatever it is, we want to hear about it - join the Big Conversation.

Feedback will help shape the borough's priorities and investment over the next decade. https://getinvolved.uk.engagementhq.com/big-conversation/survey_tools/big-conversation



Economy and Jobs Cabinet Member Bulletin Councillor Manju Shahul-Hameed March 2020

LATEST NEWS

Apprenticeship Academy and 100 in 100

I am delighted to share the success of our 100 in 100 campaign and it is particularly fitting that we were able to congratulate our apprentices, local employers, training providers and others involved in the programme, during National Apprenticeship Week (3rd-9th February 2020).



On the 4th February a celebration breakfast marked the success of Croydon's 100 in 100 campaign held at Croydon College, the event was attended by apprentices that secured employment during the initiative along with their employers and local training providers.

During the event, some of our employers and training providers were presented with a certificate in recognition of their commitment and contribution to developing staff through apprenticeships.

On Friday 7 February, a second event marking National Apprenticeship Week was held at Fairfield Halls. Steps to Success offered Croydon residents aged 16 and over, or those attending schools or colleges in the borough, the chance to speak to training providers, colleges and employers about their courses and opportunities.

It is fantastic that despite the 100 days coming to a close, apprenticeship recruitment continues to go from strength to strength in the borough. Through our Croydon Apprenticeship Academy partners and Croydon Works, we will continue to ensure both local people and employers benefit from the fantastic opportunities apprenticeships create."

The Croydon Apprenticeship Academy, is a one-stop shop for apprenticeships in Croydon – the council works with a huge range of employers and training providers to create a fantastic range of opportunities for residents and businesses, which saw 122 apprenticeships successfully created and filled in the 100 days after its launch last August.

To find out more about apprenticeship opportunities in Croydon click [here](#).



Economy and Jobs Cabinet Member Bulletin Councillor Manju Shahul-Hameed March 2020

Discretionary Business Rates Relief

I am delighted to report that Croydon Council has continued to support local businesses through our discretionary business rates relief scheme. The scheme has served as a valuable intervention in order to assist struggling businesses, along with those seeking to provide key inward investment opportunities within the borough. So far, 24 eligible businesses have been awarded discretionary business rates relief totalling over £296k, during the current financial year in 2019-20. During this period, the scheme has also supported over 141 jobs locally and indirectly assisted over 811 other local businesses.

Growth Zone Expenditure

Delivering the Growth Zone is a key priority of the administration to enable and support investment in jobs, housing, economic growth and the regeneration of the Town Centre. The benefits of the Growth Zone will be realised across the whole borough.

- The total Growth Zone programme capital expenditure over the next 3 years is £78million. The distribution of this funding across the Growth Zone themes are as follows:

Growth Zone Workstream	Committed funding 19/20-22/23 (£000's)
Transport	35,434
Public Realm	23,526
Construction Logistics	1,474
Parking	1,125
Culture	3,500
Smart Cities	2,721
Social Infrastructure	8,400
Employment and Skills	800
Energy	1,020
Total	78,000



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Croydon is Open for Business (Brexit Summit)

Thursday 27th February saw over 150 business leaders from across our diverse business community come together for a morning of inspirational talks, debates and practical advice.

Government representatives, outstanding academics and high ranking decision makers from businesses joined the event to discuss the key issues facing businesses today following our exit from the European Union.

This year the Croydon Brexit Summit programme featured top class and insightful speeches, intensive talks in interactive sessions and a chance to network, share best practice and create relationships. All of this held in the newly refurbished Fairfield Halls. Debate from panellists included Gatwick Airport, London Chamber of Commerce and London South Bank University. (A range of quality free support was readily available to our businesses).

This interactive event also incorporated a market place with specialised 1-2-1 business advice clinics with contributions from the Croydon Network which included organisations such as the London Chamber of Commerce, Federation of Small Businesses, LEAP (London Economic Action Partnership) and the council's Croydon Works apprenticeship scheme.

Event delegates who were European Union citizens were also able to get support from the council's registrar service on applying for a permanent right to remain in the country via the European Settlement Scheme.

Croydon companies large and small wanting a post-Brexit business boost are still able to obtain advice and guidance. If you would like to know more about support for your business please contact <https://www.growthhub.london/brexithub/>

I'm especially keen on supporting EU citizens who want help to continue living and working in Croydon after the Brexit transition phase and our European Settlement services remains dedicated to supporting residents and businesses. For more information <https://www.croydon.gov.uk/community/brexit-guidance/eu-settlement-scheme>

Apprenticeship Funding from GLA

In partnership with Croydon College, we have secured £393K of GLA funding for a project which will support employers to recruit apprentices in London.

One of only two successful pilots in the capital, this is a major legacy of the '100 in 100' campaign and an opportunity to further develop the role of the Croydon Apprenticeship Academy and support the 2023 borough of culture programme.

The **Croydon Apprenticeship Growth Hub** will build on the Croydon Apprenticeship Academy and develop and deliver an impartial single information point for advice and support to engage Croydon employers.



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The overall aim is to create and sustain quality apprenticeship opportunities and utilise unspent apprenticeship levy funds within four growth sectors: Cultural and Creative Industries; Tech and Digital; Financial and Business Services and Life Sciences.

The **Croydon Apprenticeship Growth Hub** will be delivered by Croydon College (lead) in partnership with Croydon Council, facilitating collaboration and partnerships between apprenticeship providers and employers creating a **Croydon apprenticeship skills strategy**.

The Growth Hub infrastructure will provide impartial advice and support on apprenticeships streamlining what can be a complex system for employers to navigate through:

- Organisational need and training needs analysis
- DAS support and guidance
- Learner recruitment matching service
- Increasing awareness of apprenticeships to meet the needs of businesses requirements
- Identifying current workforce upskilling opportunities
- Sharing best practice

Coulsdon & London Road Walkabout



Our district centres are important to us and that is why myself and my colleagues, visited Coulsdon (20th January) & London Road (7th February). It was important to understand the opportunities and challenges our residents and businesses are facing on a day to day basis and align them with our local plans for growth. A tour of the areas were conducted and we are now currently looking at what positive strategic decisions could be put into place to drive forward positive change for all.



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The businesses I visited had showed great resilience but faced difficult challenges in sustaining their customer base and addressing real challenges. We are committed to providing support as needed going forward and will be working with Save the High street to support the independent businesses in these areas.

Pledges to Business by London Councils

London Councils' Pledges to Business was formally endorsed at the London Councils Leaders' Committee in December 2019. The Pledges cover relevant borough services that affect businesses, including their regulatory services and placemaking activities. It also has a series of asks of local businesses, enhancing their roles as employers and reducing their environmental impact.

London Councils has been developing the Pledges to Business during 2019. There has been consultation with borough officers and members, as well as the London Business Board, which brings together key business representative bodies.

Vision

The Pledges have been developed with a focus on boroughs' offer to business, rather than boroughs' ask of business. It looks beyond councils' business support services to consider the wider role of boroughs as:

- Placemakers and champions: setting a framework for the future development of an area and coordinating investment to deliver this vision.
- Convenors of business and local communities: brokering local solutions and agreements.
- Regulators: protecting residents and demanding high standards, but also delivering a quality and joined-up regulation process for businesses using these services.
- Providers of core infrastructure: providing or helping to facilitate infrastructure.

Pledges to Business

The Pledges are centred on:

- Engagement: ensuring effective engagement with business, including customer satisfaction surveys and consultation with those using borough services.
- Making business simpler: ensuring that businesses can get a more coordinated approach from boroughs, including enhancing digital access to borough services.
- Cleaner, greener, safer: collaborating with businesses in areas, such as community safety; waste reduction and recycling; air quality; and rough sleeping. This includes working with London's more than 60 Business Improvement Districts.
- Night-time economy: playing a coordinating role in supporting a safe and successful night-time economy.



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- Business rates: continuing to lobby for a system that lessens the impact on London's economy.
- Procurement: supporting local suppliers and social value outcomes.
- Developing a skilled workforce: working with employers to ensure a local labour force with the right skills.

The Pledges also have a series of asks of business:

- Becoming the best employer you can be, through the adoption of relevant standards.
- Ensuring an inclusive workforce that reflects London's diversity, including engaging with local employment and apprenticeship programmes.
- Engaging the next generation by working with schools across London to open up the world of work.
- Supporting sustainability by showing leadership in reducing emissions and waste.
- Becoming "business champions" by supporting the public sector in making the case for your borough and London.

The Pledges will require effective processes to ensure businesses find it easier to navigate boroughs' different services. This will require a commitment from boroughs to engage with businesses, seeking feedback on how they feel the process currently works for them and how it can be improved. There are wider policy issues boroughs will need to consider, for example, balancing the requirements of their regulatory role with a desire to promote vibrant high streets.

There are excellent examples of London boroughs working successfully with local businesses and Business Improvement Districts on diverse range issues, from aggressive begging to child protection and improving air quality.

Croydon Council will continue to work with business groups in making the case for London, on issues such as the apprenticeship levy, business rates reform and the replacement for European funding from the UK Shared Prosperity Fund.

Business Survey - LONDON GROWTH HUB SURVEY

The London Growth Hub are keen to hear the challenges and opportunities Croydon businesses are facing every day, the aim of this survey is to help us better understand business needs so we can prioritise, design and deliver the tools and support.

The survey should only take 10 – 15 minutes to complete and participants will be automatically entered into a draw to win an iPad 7, John Lewis vouchers or street food vouchers for Mercato Metropolitano.

[CLICK HERE](#) to answer this short survey now



Children, Young People and Learning Cabinet Member Bulletin Councillor Alisa Flemming March 2020

LATEST NEWS

Children's Social Care – net growth of £1.995m

Delivering improvement in Children's Social Care

Since the 2017 Ofsted inspection, we have continued to invest in Children's Services, addressing pressure in a range of areas including covering costs associated with additional placements and additional social workers. An additional one-off investment of £20m via the Council's Transformation Reserve has also been used to support the implementation of the Children's Services improvement plan.

In order to continue on our journey to excellence further net growth will be applied to the areas of the service where permanent resources will secure continuous improvement by:

- Investing in early help for our most vulnerable children and young people;
- Advancing systemic practice;
- Developing intelligence led commissioning and procurement of places for our looked after children; and
- Enhancing our provision for children with disabilities.

Troubled Families Programme (TFP)

The TFP has been extended, with an additional maximum investment of £1.115m, securing our successful targeted intervention for families and delivering wider system change at the local level.

Unaccompanied Asylum Seekers (UASC)

The Council continues to lobby the government to fund overspends against the budget for Unaccompanied Asylum Seekers, leaving care costs for former Unaccompanied Asylum Seekers and Appeal Rights.

Education Estates

The overall cost of the Education Capital Programme is estimated at £53.515m over the period 2019/20 – 2021/22 and includes funding from the Education Skills Funding Agency.

Getting the basics right for residents' has contributed to the delivery of the following key priority / outcome:

'Our children and young people thrive and reach their full potential':

- *Children and young people in Croydon are safe, healthy and happy, and aspire to be the best they can be.*



Children, Young People and Learning

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Councillor Alisa Flemming

March 2020

- *Every child and young person can access high quality education and youth Facilities.*
- *Ensure there are high quality school places for Croydon's increasing numbers of children and young people.*

Dedicated Schools Grant (DSG) High Needs Block – net growth £5.718m

DSG deficit recovery plan

Croydon submitted a plan to recover the 2018/19 in-year High Needs Block deficit of £5.612 million over a five year period to the DfE (in line with the five year SEND (strategy). The DfE letter of response commended Croydon on the high quality and detail of our plan and informed us that as the High Needs Block allocation for 2020/21 would be increased (see below) and that subsequent year's allocations for 2021/22 and 2022/23 were under review, the Council would need to review and revise the previously submitted recovery plan.

In that revised recovery plan, the DSG will break even and start paying back the cumulative deficit in Year 6 (2024/25).

Legacy

Croydon's new £6.5m Legacy Youth Zone in Whitehorse Road offers young people aged between eight and 19, or 25 for those with additional needs, the chance to enjoy more than 20 different activities.

The initial £6.5million building costs have been joint funded by Croydon Council contributing £3.25million with the remainder sourced by OnSide from a number of founder patrons including the Queen's Trust, the Stone Family Foundation and The Seroussi Foundation via UBS Optimus Foundation.

Legacy's Capital Funders and Founder Patrons turned a dream into a reality, for the young people in Croydon.

By investing in this stunning new Youth Zone, and working with OnSide and all the young people who have worked so hard to make this happen, we are helping them to reach their full potential, by giving them access to new opportunities, new experiences, and a truly amazing place to have fun and make friends.



**Children, Young People and Learning
Cabinet Member Bulletin
Councillor Alisa Flemming
March 2020**



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REPORT TO:	COUNCIL 2 March 2020
SUBJECT:	RECOMMENDATIONS OF CABINET REFERRED TO THE COUNCIL FOR DECISION
LEAD OFFICER:	Jacqueline Harris Baker, Executive Director of Resources and Monitoring Officer
WARDS:	ALL
CORPORATE PRIORITY/POLICY CONTEXT:	
<p>The Recommendations of Cabinet referred to the Council for decision report is prepared in accordance with the Council Procedure Rules at Part 4A of the Constitution.</p>	

1.	<p>RECOMMENDATIONS FROM CABINET HELD ON 24 February 2020</p> <p>Subject to decision at the Cabinet meeting to be held on 24 February 2020, Council is expected to be asked to approve the following recommendations:</p> <p>Treasury Management Strategy Statement Capital Strategy, Minimum Revenue Provision Policy Statement and Annual Investment Strategy 2020/21</p> <p>1.1. Approve the Treasury Management Strategy Statement 2020/21 as set out in the covering report (at Appendix 7.1) including the recommendations:</p> <p>1.1.1. That the Council takes up borrowing requirements as set out in paragraph 4.5 of the covering report (at Appendix 7.1).</p> <p>1.1.2. That for the reasons detailed in paragraph 4.14 of the covering report (at Appendix 7.1), opportunities for debt rescheduling are reviewed throughout the year by the Director of Finance, Investment and Risk (S151 Officer) and that she be given delegated authority, in consultation with the Cabinet Member for Finance and Resources and in conjunction with the Council’s independent treasury advisers, to undertake such rescheduling only if revenue savings or additional cost avoidance can be achieved at minimal risk in line with organisational considerations and with regard to the Housing Revenue Account (HRA) as set out in the Council’s Medium Term Financial Strategy 2019/2023.</p> <p>1.1.3. That delegated authority be given to the Director of Finance, Investment and Risk (S151 Officer), in consultation with the Cabinet Member for Finance and Resources, to make any necessary decisions to protect the Council’s financial position in light of market changes or investment risk exposure.</p> <p>1.2. That the Council adopts the Annual Investment Strategy as set out in paragraphs 4.16 and 4.17 of the covering report (at Appendix 7.1).</p>
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- 1.3. That the Authorised Limit (required by Section 3 of the Local Government Act 2003) as set out in paragraph 4.10 of the covering report (Appendix 7.1) and as detailed in Appendix 7.1C be as follows:

2020/2021	2021/2022	2022/2023
£1,935.847m	£2,017.896m	£2,062.164m

- 1.4. That the Council approve the Prudential Indicators as set out in Appendix 7.1C.
- 1.5. The Annual Minimum Revenue Provision Policy Statement (required by the Local Authorities (Capital Financing and Accounting) (England) (Amendment) Regulations 2008SI 2008/414) as set out in Appendix 7.1D of this report.
- 1.6. That the Council's authorised counterparty lending list as at 31st December 2019 as set out in Appendix 7.1E of this report and the rating criteria set for inclusion onto this list be approved.
- 1.7. That the Council adopts the Capital Strategy Statement set out in section 3 of the covering report (at Appendix 7.1).

2. RECOMMENDATIONS FROM CABINET HELD ON 24 February 2020

Subject to decision at the Cabinet meeting to be held on 24 February 2020, Council is expected to be asked to approve the following recommendations:

Quarter 3 Financial Performance 2019/20

- 2.1. The approval to reduce the capital programme by £1.2m as set out in Table 6 of the covering report at Appendix 7.2.

3. EXECUTIVE SUMMARY

- 3.1. The Recommendations of Cabinet and Committees referred to the Council for decision report comprises of matters of business formally undertaken by the Leader and Cabinet as well as Committees since the last ordinary meeting of the Council that require Full Council approval.

4. BACKGROUND

- 4.1. Part 4A of the Constitution requires that Cabinet and Committees include any recommendations that it has made to Council within this report.
- 4.2. These rules do not apply to any recommendations contained in the Annual Report of the Scrutiny and Overview Committee.
- 4.3. The Leader or Chair of the Committee making the recommendation may exercise a right to introduce the recommendation; in so doing the Leader or Chair of the Committee shall speak for a maximum of 3 minutes.
- 4.4. The recommendation shall be seconded without any further speakers and if not deferred for debate shall immediately be put to the vote.

- 4.5. Any Member supported by a seconder, may ask that a recommendation be deferred for debate and the recommendation shall immediately stand deferred.
- 4.6. In the event that any Cabinet or Committee recommendations have not been reached when the time limit for the meeting has expired, those recommendations shall immediately be put to the vote without further debate.
- 4.7. Attached at **Appendix 7.1** is the **Treasury Management Strategy Statement Capital Strategy, Minimum Revenue Provision Policy Statement and Annual Investment Strategy 2020/21** report to be considered at the **Cabinet** meeting to be held on 24 February 2020. The relevant appendices to this report are also included. These are **Appendix 7.1A** (Long-term debt profile), **Appendix 7.1B** (Specified and non-specified investments), **Appendix 7.1C** (Prudential Indicators), **Appendix 7.1D** (Minimum Revenue Provision Policy) and **Appendix 7.1E** (Commentary on Interest Rate Forecasts).
- 4.8. Attached at **Appendix 7.2** is the **Quarter 3 Financial Performance 2019/20** report to be considered at the **Cabinet** meeting to be held on 24 February 2020. The relevant appendices to this report are also included. These are **Appendix 7.2A** (Revenue Variations over £100K with explanation) and **Appendix 7.2B** (2019/20 Q3 Capital Outrun Forecast).

- CONTACT OFFICER:** Annette Wiles,
Senior Democratic Services and Governance Officer –
Council & Regulatory
Ext. 64877
- APPENDIX 7.1:** Treasury Management Strategy Statement, Capital Strategy, Minimum Revenue Provision Policy Statement and Annual Investment Strategy 2020/21 report
- APPENDIX 7.1A:** Long-term debt profile
- APPENDIX 7.1B:** Specified and non-specified investments
- APPENDIX 7.1C:** Prudential Indicators
- APPENDIX 7.1D:** Minimum Revenue Provision Policy
- APPENDIX 7.1E:** Commentary on Interest Rate Forecasts
- APPENDIX 7.2:** Quarter 3 Financial Performance 2019/20 report
- APPENDIX 7.2A:** Revenue Variations over £100K with explanation
- APPENDIX 7.2B:** 2019/20 Q3 Outrun Forecast

BACKGROUND DOCUMENTS: None

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REPORT TO:	CABINET 24 February 2020
SUBJECT:	Treasury Management Strategy Statement, Capital Strategy, Minimum Revenue Provision Policy Statement and Annual Investment Strategy 2020/2021
LEAD OFFICER:	Jacqueline Harris Baker Executive Director, Resources & Monitoring Officer Lisa Taylor Director of Finance, Investment and Risk (S151 Officer)
CABINET MEMBER:	Councillor Simon Hall, Cabinet Member for Finance and Resources
WARDS:	All

CORPORATE PRIORITY/POLICY CONTEXT/AMBITIONS FOR CROYDON:

The prime function of the treasury management operation is to ensure that cash flow is adequately managed, with cash being available when it is needed. Surplus monies are invested in low risk counterparties or instruments commensurate with the Council's low risk appetite where providing adequate liquidity is prioritised over investment return.

The second main function of the treasury management service is the financing of the Council's capital plans. These plans provide a guide to the borrowing need of the Council, essentially the longer term cash flow planning, to ensure that the Council can meet its capital spending obligations. This management of longer term cash may involve arranging long or short term loans, or using longer term cash flow surpluses. On occasion any debt previously drawn may be restructured to meet Council risk or cost objectives.

The contribution the treasury management function makes to the achievement of the Council's objectives is critical, as the balance of debt and investment operations ensures liquidity or the ability to meet spending commitments as they fall due, either as day-to-day revenue spend or for larger capital projects. The treasury operation carefully assesses the balance of the interest costs of debt and the investment income arising from cash deposits and this impacts directly on the Council's finances. Since cash balances generally result from reserves and balances, it is paramount to ensure adequate security of the sums invested, as a loss of principal will in effect result in a loss to the General Fund Balance Sheet.

Whilst any commercial initiatives or loans to third parties will impact on the treasury function, these activities are generally classed as non-treasury activities, (and are treated as capital expenditure); they are separate and distinct from the day to day treasury management activities.

Revised reporting on Treasury Management has been required since the 2019/2020 reporting cycle due to revisions of the Ministry of Housing Communities and Local Government (MHCLG) Investment Guidance, the MHCLG Minimum Revenue Provision (MRP) Guidance, the Chartered Institute of Public Finance and Accountancy (CIPFA) Prudential Code and the CIPFA Treasury Management Code. This report is written in accordance with these requirements.

FINANCIAL IMPACT:

This report sets out the Council's Treasury Management objectives, which are to manage the Council's cash flows, borrowing and investments whilst minimising the level of risk exposure; maximising investment yield returns within those risk parameters; and ensuring that capital expenditure and financing plans are prudent, affordable and sustainable. The report details the activities that will be undertaken by the Council in the financial year 2020/2021 and the capital borrowing needs of the Council for 2020/2021:

	<u>£m</u>	<u>Total £m</u>
1. In Year Borrowing Requirement (Net)		
270.253		
2. Total Interest Payable on Debt		
- chargeable to Housing Revenue Account (HRA)	12	
- chargeable to General Fund (GF)	<u>31</u>	
		43

In addition the report details the investment activities and the estimated level of income earned.

Investment Income net of interest apportioned to Non-General Fund accounts e.g. HRA and other cash balances:- (0.525m)

FORWARD PLAN KEY DECISION REFERENCE NO.:

This is not an executive key decision – this is reserved to the full Council for decision as part of the budget and policy framework.

1. RECOMMENDATIONS

The Leader of the Council has delegated to the Cabinet the power to make the decisions set out in the recommendations below.

The Cabinet is asked to recommend to Full Council that it approve:

- 1.1. The Treasury Management Strategy Statement 2020/2021 as set out in this report including the recommendations:
 - 1.1.1. That the Council takes up borrowing requirements as set out in paragraph 4.5.
 - 1.1.2. That for the reasons detailed in paragraph 4.14, opportunities for debt rescheduling are reviewed throughout the year by the Director of Finance, Investment and Risk (S151 Officer) and that she be given delegated authority, in consultation with the Cabinet Member for Finance and Resources and in conjunction with the Council's independent treasury advisers, to undertake such rescheduling only if revenue savings or additional cost avoidance can be achieved at minimal risk in line with organisational considerations and with regard to the Housing Revenue Account (HRA) as set out in the Council's Medium Term Financial Strategy 2019/2023.

1.1.3. That delegated authority be given to the Director of Finance, Investment and Risk (S151 Officer), in consultation with the Cabinet Member for Finance and Resources, to make any necessary decisions to protect the Council's financial position in light of market changes or investment risk exposure.

1.2. That the Council adopts the Annual Investment Strategy as set out in sections 4.16 and 4.17 of this report.

1.3. That the Authorised Limit (required by Section 3 of the Local Government Act 2003) as set out in paragraph 4.10 and as detailed in **Appendix C** be as follows:

2020/2021	2021/2022	2022/2023
£1,840.757m	£2,038.506m	£2,085.274m

1.4. That the Council approve the Prudential Indicators as set out in **Appendix C** of this report.

1.5. The Annual Minimum Revenue Provision Policy Statement (required by the Local Authorities (Capital Financing and Accounting) (England) (Amendment) Regulations 2008SI 2008/414) as set out in **Appendix D** of this report.

1.6. That the Council's authorised counterparty lending list as at 31st December 2019 as set out in **Appendix E** of this report and the rating criteria set for inclusion onto this list be approved.

1.7. That the Council adopts the Capital Strategy Statement set out below in section 3.

2. EXECUTIVE SUMMARY

2.1. Under regulations made pursuant to the Local Government Act 2003 the Council is required to have regard to CIPFA's Prudential Code for Capital Finance in Local Authorities, 2017, (the Prudential Code), to ensure that the Council's capital investment plans are affordable, prudent and sustainable. In particular, the Prudential Code requires the Council to set a number of Prudential Indicators for the next three financial years. This report, which incorporates these indicators, also details the expected treasury activities for the year 2020/2021, set in the context of the longer term planning forecasts for the Council. The implications of these key indicators function as the overriding control and guidance mechanism for the future capital programme and the revenue consequences that arise for the Council in future financial years.

2.2. The revised CIPFA Prudential and Treasury Management Codes (the Codes) require that all local authorities must prepare a Capital Strategy Statement, which provides the following:

- a high-level long term overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services;
- an overview of how the associated risk is managed; and
- the implications for future financial sustainability.

3. CAPITAL STRATEGY STATEMENT

Introduction

The framework established by the Codes supports local strategic planning, local asset management planning and proper option appraisal.

The objectives of the Codes are to ensure that the capital expenditure plans of local authorities are affordable, prudent and sustainable and that treasury management decisions are taken in accordance with good professional practice and in full understanding of the risks involved.

The Codes require authorities to look at capital expenditure and investment plans in the light of overall organisational strategy and resources and ensure that decisions are made with sufficient regard to the long term financing implications and potential risks to the authority.

The Codes set out that in order to demonstrate that the authority takes capital expenditure and investment decisions in line with service objectives and properly takes account of stewardship, value for money, prudence, sustainability and affordability, authorities should have in place a capital strategy. The capital strategy should set out the long term context in which capital expenditure and investment decisions are made and gives due consideration to both risk and reward and impact on the achievement of priority outcomes.

Purpose and aims of this Capital Strategy

- 3.1 This capital strategy sets out how capital investment supports the delivery of the Council's objectives. It describes the main objectives for the Council over a four-year horizon. These objectives form the Council's Corporate Plan and have been grouped into 9 themes, as follows:

People live long, healthy, happy and independent lives – infrastructure to support those in need and to prevent issues from becoming problems. Includes high quality health and care provision;

Our children and young people thrive and reach their full potential – sharing resources, expertise and intelligence to better safeguard children and to improve their outcomes;

Good, decent homes, affordable to all – equal and fair access to housing, providing support in accordance with need;

Everyone feels safer in their street, neighbourhood and home – to ensure that people from all Croydon communities feel safe;

A cleaner and more sustainable environment – clean, accessible streets are important to the wellbeing and success of the local economy;

Everybody has the opportunity to work and build their career – inward investment brings opportunities for residents of the Borough;

Business moves here and invests, our existing businesses grow – an expanding technology sector and a large number of start-up businesses should benefit all residents;

An excellent transport network that is safe, reliable and accessible to all – to invest further in the road, rail and tram networks, with an emphasis on better, sustainable transport; and

We value the arts, culture, sports and activities. – this is integral to a healthy, vibrant borough and are important drivers for the economy.

Delivery of these objectives

- 3.2 This Capital Strategy has been drafted to support the delivery of the Council's core objectives that sit within each of these nine themes.
- 3.3 The Council employs a number of different delivery strategies and these are described below. This document describes the funding streams available to the Council and used in the delivery of these objectives.
- 3.4 The component elements that comprise the capital programme are drawn from specific, detailed strategy documents, including, but not limited to the Asset Investment Strategy, the Education Estates Strategy and Brick by Brick's Business Plan.
- 3.5 These are described in more detail below, including a description of the process whereby schemes are prioritised to ensure best fit to these corporate priorities as capital projects. Taken together these schemes make up the Council's capital investment programme.
- 3.6 The next section considers the resources available to the Council to deliver this capital programme.

Resources

- 3.7 The Council can call upon a range of resources to deliver its capital programme.

These resources include:

- Borrowing;
- Capital receipts;
- Grant funding;
- Planning obligations; and
- Revenue.

There are also resources relating to the Housing Revenue Account which fall outside the scope of this Strategy.

- 3.7.1 **Borrowing.** The level of debt incurred by the Council is governed by the indicators set by the Code. The Code provides a framework to enable the Council to assess the affordability, sustainability and prudence of the level of borrowing. These links to the Code are detailed further below. Sources of debt include the Public Works Loans Board, (PWLB), commercial debt from banks and financial institutions, (this includes legacy so-called Lender Option Borrower Option loans, or LOBOs), the London Energy Efficiency Fund and the European Investment Bank.

The Council's Medium Term Financial Strategy (MTFS) states that borrowing should be undertaken for specific schemes and is prioritised where it can have a net positive impact on the revenue budget and there is a clear repayment plan for the principal sum. Within this Capital Strategy borrowing can be split into four elements:

1. RIF – normally for housing and on lent at a commercial rate where debt is repaid on completion of the project.
2. Growth Zone – debt is repaid from future business rates growth.
3. Asset Investment Strategy – Borrowing decisions made in line with the agreed strategy and where the asset generates a positive net return. Debt would be repaid in future from asset value.
4. General – Any other priority capital schemes that cannot be funded from external sources.

Allowance needs to be made in the revenue budget for repayment of capital and payment of interest. The policy regarding the repayment of principal sums through the Minimum Revenue Provision, (MRP), is discussed below in section 4.6.

- 3.7.2 **Capital Receipts** are generated by the sale of an asset. Disposals of surplus assets in the property portfolio, typically generated by a rationalising of the estate, represent an important source of funding. Capital receipts can only be applied to fund capital investment, with the exception of the use of capital receipts to fund transformation expenditure, according to the principles set out in the Ministry of Housing Communities and Local Government (MHCLG)'s Flexible Use of Capital Receipts guidance of March 2016.
- 3.7.3 **Grant funding** covers a range of funding sources. These might include grants from the Education and Skills Funding Agency; Education Basic Needs grants; Transport for London, NHS, and the Community Infrastructure Levy. Typically grants are specific and often have conditions associated with them which define the purposes for which they should be applied.
- 3.7.4 **Planning obligations**, Planning obligations under Section 106 of the Town and Country Planning Act 1990 (as amended), commonly known as s106 agreements, are a mechanism which makes a development proposal acceptable in planning terms, that would not otherwise be so. Typically they are negotiated as part of planning gain agreements. They are focused on site specific mitigation of the impact of development. S106 agreements are often referred to as 'developer contributions' along with highway contributions and the Community Infrastructure Levy, as mentioned above. They were introduced to allow local authorities to recover costs associated with private developments. These range from additional school places through to transport links.
- 3.7.5 **Revenue funding** can be applied but is rarely used to support capital investment.
- 3.8 Croydon has been innovative in using different approaches for delivering capital investment. These are described in more detail here.

The Revolving Investment Fund

- 3.8.1 The Revolving Investment Fund (RIF) will, over the life of this strategy, comprise £272.2m and will be established through borrowing. Loans will be acquired at rates comparable to the mark up on gilts applied by the Government's Debt Management Office. The RIF will lend at commercial rates thus generating a margin. The net returns estimated over the cost of debt will be credited to the Council. The debts will be repaid on completion of each individual project.

The RIF also acts as a funder to the Council's Housing Development Company Brick by Brick, enabling the development of homes in the Borough.

Brick by Brick

- 3.8.2 The Borough has established a development company, Brick by Brick Croydon Limited, to bring forward housing led development in a way which realises the development potential of sites throughout the Borough and maximises the benefit from development to local residents. Although the Council is the sole shareholder, the Board of the Company operates independently from the Council on a commercial basis.

As discussed above, Brick by Brick is funded by a RIF funded by debt incurred by the Council.

The key implication for the Council from the lending arrangement to Brick by Brick is that the estimated net funding requirement is driven by the Company's cash flow projections. Brick by Brick will draw down from the Council through a combination of borrowing and equity investment (on a 75:25 split) to fund its planned development programme.

Housing LLPs

- 3.8.3 The Council has also set up Housing LLPs to increase the provision of affordable homes in the Borough. To enable the increase of the provision of affordable housing in the Borough, the Council, via wholly owned entities, has entered into three separate limited liability partnerships (LLPs) with a local charity to develop units across the Borough and acquire street properties as affordable rented homes.

Croydon will retain a long term interest in the properties via the freehold of the sites or properties and receive an income stream to the General Fund from each LLP. The impact on the General Fund, once all properties are fully available, is an ongoing benefit of £1.4m. Additionally, there will be capital gains on the previously purchased units and, through arms lengths agreements with the LLPs, a contribution to the Council's fixed costs.

Growth Zone

- 3.8.4 The Growth Zone is a significant element of the capital programme. The driver for this component of the strategy is that future business rates increases received from the Zone are ring fenced outside of this Strategy for investment within the Zone. The growth in business rates from the Zone is ring-fenced separately from within the Council's Collection Fund, and will be used to repay debt.

The Growth Zone strategy enables the Council to bid to access Public Works Loan Board Infrastructure rate borrowing at preferential rates.

Service and commercial investment strategy

- 3.9 An Asset Acquisition Fund of £100m will enable investment in property to generate an income for the Council. The Council has an aspiration to secure medium to long term revenue returns from sound property investment principally within the Borough. The revenue returns from these investments should be consistent and less prone to fluctuation than other investments due to the protection within the lease agreements. These returns will be key to future revenue income and enable expenditure on services. The Council will be looking at the opportunity that property investment offers to help generate a secure revenue stream over the medium- to

long-term. However, less secure assets that offer future revenue potential with higher returns that also unlock the development of strategic sites will also be considered. These may typically be part vacant properties in district centres requiring some degree of refurbishment or additional development to secure their full letting potential. Each opportunity will be assessed against a matrix. The matrix will have scoring against each of the key elements and facilitate categorisation into Excellent, Fair, Good and Marginal investments.

Context – the strategy hierarchy

- 3.10 The capital programme comprises the capital schemes that contribute towards meeting the objectives described above. They are described in detail in the Asset Investment Strategy, Education Estates Strategy, the Brick by Brick business plan and other strategies and plans.
- 3.11 The revenue impact of long-term borrowing is set out in the MRP Policy (attached as Appendix D and covered in section 4.6) and the Treasury Management Strategy (discussed in paragraphs 4.7 to 4.15).
- 3.12 The MRP deals with different categories of assets in different ways, setting out how debt principal is repaid from contributions from revenue. The Treasury Management Strategy considers, amongst a number of issues, projections as to the cost of debt and issues around long-term affordability and sustainability.
- 3.13 Alongside and informing this Strategy is the Medium Term Financial Strategy (MTFS).
- 3.14 Capital projects are assessed and prioritised according to their fit within the strategic context described above. The Council will invest in programmes and projects in line with statutory and core functions with priority for funding being given to those schemes along with invest to save projects. The return on investment helps to prioritise some schemes. The MTFS assumes continuing maximum use of planning gain from the Community Infrastructure Levy and S.106 planning obligations where possible to reduce borrowing requirements.

Risk appetite and governance processes for managing that risk

- 3.15 The MTFS is explicit in setting out the Council's appetite for risk. In summary, the Council recognises that good financial management is key to delivering effective services and maintaining financial sustainability and control and needs to be embedded in everything it does. Demand for services is increasing and that requires that they may need to be delivered in a different way if they are to be effective and affordable. The MTFS sets out the key strategic priorities for how the Council will manage the medium term budget position. It is important to make well informed decisions on the basis of accurate financial and operational information. It is also important to recognise that the Council will need to take considered risks to deliver its objectives.

Capacity to deliver

- 3.16 As described above in the section on context, there is a great deal of activity, current and planned, in the Borough. Capacity to deliver, in terms of internal officer resources, must be a consideration. Equally, scarce resources, in terms of skills, businesses, trades, plant, machinery and so forth is in demand.

Indicators

- 3.17 Good practice suggests that the Council reviews this Strategy annually to ensure it continues to reflect the needs and priorities of residents.
- 3.18 Prudential Indicators are set at the same time as the budget and reviewed mid-year and at the year-end. These indicators are set out in Appendix C.
- 3.19 Capital Expenditure is monitored on a quarterly basis and reported to Cabinet. Cabinet reports consider spend to date, forecasts for the year and subsequent periods and any adjustments required to the agreed budget. This robust level of scrutiny ensures the most efficient use of capital resources to support corporate objectives.

4. TREASURY MANAGEMENT STRATEGY FOR 2020/2021

- 4.1 The Council defines its treasury management activities as:

“The management of the Council’s borrowing, investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.”

- 4.2 The Council is required to receive and approve, as a minimum, three main treasury reports each year, which incorporate a variety of strategies and policies, and estimated and actual figures.

1. **The prudential and treasury indicators and treasury strategy (this report)**
- The first, and most important report covers:

- the capital plans (including prudential indicators);
- an MRP policy (how residual capital expenditure is charged to revenue over time);
- the treasury management strategy (how the investments and borrowings are to be arranged) including treasury indicators; and
- an investment strategy (the parameters for managing investments).

2. **A mid-year treasury management report** – To update members with the progress of the capital position, amend prudential indicators as necessary, and flag whether any policies require revision;

3. **An annual treasury report** – This is a backward looking review document and provides details of the prudential and treasury indicators and treasury operations. The indicators are calculated on the basis of published outturn figures compared to the estimates within the Strategy.

- 4.3 The Strategy for 2020/2021 covers these three main areas:

Capital issues

- Capital plans and borrowing need and associated prudential indicators (paragraphs 4.4 and 4.5);
- MRP policy (paragraph 4.6).

Treasury management issues

- Policy on use of external service providers (paragraph 4.7);
- Current treasury position (paragraph 4.8);
- Borrowing strategy and borrowing requirement (paragraph 4.9);
- Treasury indicators which limit the treasury risk and activities of the Council (paragraph 4.10);
- Interest rate exposure and prospects for interest rates (paragraph 4.11) ;
- Borrowing strategy (paragraph 4.12);
- Policy on borrowing in advance of need (paragraph 4.13);
- Debt rescheduling and repayment (paragraph 4.14);
- Sources of finance (paragraph 4.15);

Annual Investment Strategy

- Investment policy (paragraph 4.16);
- Annual Investment Strategy (paragraph 4.17);
- Prudential Indicators (paragraph 4.18).

CAPITAL ISSUES

4.4 Capital Expenditure and borrowing need

4.4.1 The Council's capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in the prudential indicators, which are designed to assist members' overview and confirm capital expenditure plans.

Capital expenditure

4.4.2 The Council has an extensive capital programme which includes funding for:

- a Revolving Investment Fund (RIF), set up to fulfil the Council's Growth Promise and initially be focused on the delivery of development and regeneration on Council land;
- a development company focused on regeneration in the Borough, primarily in respect of residential properties; and
- a Growth Zone, which invests in priority infrastructure to help deliver sustainable economic growth.

4.4.3 During the year 2018/2019 an Asset Acquisition Fund was also set up to enable investment in commercial property in order to generate a return to help fund services. The RIF, Growth Zone, Asset Acquisition Fund and development company are expected to create their own revenue streams in order to repay the debt taken out to finance the expenditure. The expenditure for these areas is shown in the commercial activities and non-financial investments line in Table 1.

4.4.4 Members are asked to note the capital expenditure estimates summarised in the table below:

Table 1: Capital Expenditure

	2019/2020 Forecast £m	2020/2021 Estimate £m	2021/2022 Estimate £m	2022/2023 Estimate £m
General Fund services	136.102	111.036	65.990	28.544
Commercial activities and non-financial investments	100.388	190.510	143.700	32.000
HRA services	42.205	35.701	39.951	26.951
TOTAL	278.695	337.247	249.641	87.495

- 4.4.5 This financing need excludes other long term liabilities, such as PFI and leasing arrangements which already include borrowing instruments.
- 4.4.6 The Council's financing need is funded from various capital and revenue resources plus borrowing as summarised below:

Table 2: Resources

	2019/2020 Forecast £m	2020/2021 Estimate £m	2021/2022 Estimate £m	2022/2023 Estimate £m
Capital receipts	73.783	-	-	-
Capital grants	36.501	32.338	24.941	13.776
HRA Capital reserves	-	3.295	4.000	4.000
S106 payments	1.091	-	-	-
Revenue	11.634	11.150	1.742	1.742
Major Repairs Allowance	-	12.506	21.209	21.209
Borrowing	155.686	277.958	197.749	46.768
TOTAL	278.695	337.247	249.641	87.495

4.5 **The Council's borrowing need (Capital Financing Requirement)**

- 4.5.1 The Council's Capital Financing Requirement (CFR) is the total of historic outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is essentially a measure of the Council's underlying borrowing need. Any capital expenditure, which has not immediately been paid for, will increase the CFR. The CFR does not increase indefinitely, as the MRP is a statutory annual revenue charge which reduces the borrowing need in line with each asset's life. The CFR includes any other long term liabilities such as PFI schemes and finance leases. Whilst these increase the CFR, and therefore the Council's borrowing requirement, these types of scheme include a borrowing facility and so the Council is not required to borrow separately to deliver them. Development loans are long-term debtors and therefore do increase the Requirement.
- 4.5.2 The Council's estimated CFR is detailed in the table below:

Table 3: Estimated Capital Financing Requirement

	2019/2020 Forecast £m	2020/2021 Estimate £m	2021/2022 Estimate £m	2022/2023 Estimate £m
Capital expenditure	278.695	337.247	249.641	87.495
Less amount funded from resources	(123.009)	(55.994)	(47.892)	(36.727)
Gross In Year Borrowing Requirement (CFR)	155.686	281.253	201.749	50.768
Less In Year MRP for debt repayment.	10.000	11.000	12.000	12.000
In Year Borrowing Requirement (Net)	145.686	270.253	189.749	38.768
1. Loans repaid during year	258.814	269.000	110.000	36.500
2. Less loans taken up in-year	414.500			
3. Less reduction in investment balances (internal borrowing)				
In Year Borrowing Requirement outstanding	(10.000)	539.253	299.749	75.268

4.6 Minimum Revenue Provision (MRP)

- 4.6.1 MRP, which is often referred to as a provision for the repayment of debt, is a charge to revenue in relation to capital expenditure financed from borrowing or through credit arrangements.
- 4.6.2 Under Regulation 27 of the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003, as amended, local authorities are required to charge MRP to their revenue account in each financial year. Before 2008, the 2003 Regulations contained details of the method that local authorities were required to use when calculating MRP. This has been replaced by the current Regulation 28 of the 2003 Regulations, which gives local authorities flexibility in how they calculate MRP, providing the calculation is 'prudent'. In calculating a prudent provision, local authorities are required to have regard to the statutory guidance issued by MHCLG. The latest version of the Guidance was issued on 2 February 2018 and is applicable for accounting periods starting on or after 1 April 2019.
- 4.6.3 The Guidance states that before the start of each financial year, the Council should prepare a statement of its policy on making MRP in respect of that financial year and submit it to full Council for approval.
- 4.6.4 Regulation 28 of the 2003 Regulations requires a local authority to calculate in each financial year an amount of MRP that it considers to be prudent. An underpinning principle of the local authority financial system is that all capital expenditure has to be financed either from capital receipts, capital grants (or other contributions) or, eventually, from revenue income. The broad aim of prudent provision is to require local authorities to put aside revenue over time to cover their Capital Funding

Requirement, (CFR). In doing so, local authorities should align the period over which they charge MRP to one that is commensurate with the period over which their capital expenditure provides benefits.

4.6.5 The Director of Finance, Investment and Risk (S151 Officer) is responsible for ensuring that accounting policies and the MRP Policy comply with the statutory Guidance in determining a prudent level of MRP.

4.6.6 The Treasury Annual Review for 2017/2018 was presented to the Council's General Purposes and Audit Committee on 10 October 2018 (Minute 24/17). At the meeting the Committee resolved that a revised MRP Statement be recommended for adoption at the next Council meeting to be held on 3 December 2018. The revised MRP Policy Statement for 2018/2019 was adopted by full Council on 3 December 2018 (Minute 47/18) and is attached at Appendix D. It was approved for 2019/2020 by full Council on 4 March 2019 (Minute 20/17) and is now recommended for adoption for 2020/2021.

TREASURY MANAGEMENT ISSUES

4.7 Treasury management advisors

4.7.1 The Council uses Link Asset Services, Treasury Solutions as its external treasury management advisors. The Council recognises that responsibility for treasury management decisions remains with itself at all times and will ensure that undue reliance is not placed upon external service providers. It also recognises that there is value in employing external providers of treasury management services in order to acquire access to specialist skills and resources. The Council will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented, and subjected to regular review, reflecting sound governance practices.

4.7.2 The scope of investments within the Council's operations now includes both conventional treasury investments, (the placing of residual cash from the Council's functions), and more commercial type investments, such as investment properties. The Council appoints specialist advisers for commercial investments.

4.8 The Current Treasury Position

4.8.1 The Council's Treasury position as at 31st December 2019 comprised:

Table 4: Borrowing as at 31 December 2019

		Principal £m	Average Rate %
Fixed Rate Funding	- PWLB ¹	902.426	3.32
	- Local Authorities ²	407.000	1.04
	- Amber Green LEEF 2 LLP	8.575	1.68
	- European Investment Bank	102.000	2.20
Variable Rate Funding	- LOBO ³	20.000	4.20

Total External Debt as 31/12/2019	1,440.001	2.60
Debt repayment		
	10.000	
Estimated Debt as at 31/03/2020	1,430.001	2.60

1. PWLB is the Public Works Loan Board, the branch of Government that is the principle lender to local authorities. Included within this amount is the £223.1m borrowed for the HRA self-financing settlement made on 28/3/2012.
2. As an alternative to borrowing from the Government, local authorities have come to the market offering loans at competitive rates.
3. Lender's Option Borrower's Option (LOBOs) loans are commercial debts with options for the lender to vary the rate at pre-set intervals. If the option is exercised, then the Council can either accept the new rate or repay the loan with no penalty.

4.8.2 The Council's debt maturity profile is included in **Appendix A**.

Table 5: Temporary Investments as at 31 December 2019

	Principal £m	Average Rate %
Temporary investments outstanding as at 31/12/2019	96.700	0.75
Estimated temporary investments outstanding as at 31/03/2020	40.000	0.75

4.9 The Borrowing Strategy and Borrowing Requirement

- 4.9.1 The Council's capital expenditure plans are set out in Section 4.4 and referenced by the Capital Strategy Statement. The treasury management function ensures that the Council's cash is managed in accordance with the relevant professional codes, as issued by CIPFA and MHCLG, so that sufficient cash is available to meet this service activity. This will involve both the organisation of the cash flow and, where capital plans require, the organisation of appropriate borrowing facilities. The strategy covers the relevant treasury / prudential indicators, the current and projected debt positions and the annual investment strategy.
- 4.9.2 The Council's treasury portfolio position at 31 March 2019 and forward projections are summarised below. The table shows the actual external debt against the CFR, highlighting any over or under borrowing.

Table 6: Borrowing and the Capital Financing Requirement

	2018/2019 Actual £m	2019/2020 Forecast £m	2020/2021 Estimate £m	2021/2022 Estimate £m	2022/2023 Estimate £m
Debt at 1 April	902.060	1,274.315	1,430.001	1,707.959	1,905.708
Expected change in debt	372.255	155.686	277.958	197.749	46.768
Other long term liabilities	82.798	82.798	82.798	82.798	82.798
Actual gross debt at 31 March	1,357.113	1,512.799	1,790.757	1,988.506	2,035.274
CFR	1,383.517	1,529.203	1,799.456	1,989.205	2,027.973
Under/ (over) borrowing	26.404	16.404	8.699	0.699	(7.301)

Note: this calculation does not allow for the impact of internal borrowing which has the effect of reducing real borrowing (see Table 3, above).

4.9.3 Within the prudential indicators there are a number of key indicators to ensure that the Council operates its activities within well-defined limits. One of these is that the Council needs to ensure that its gross debt does not, except in the short term, exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for 2020/2021 and the following two financial years. This allows some flexibility for limited early borrowing for future years, but ensures that borrowing is not undertaken for revenue purposes.

4.9.4 The Director of Finance, Investment and Risk (S151 Officer) reports that the Council complied with this prudential indicator in the current year and does not envisage difficulties for the future. This view takes into account current commitments, existing plans, and the proposals in this budget report.

4.10 Treasury Indicators: limits to borrowing activity

4.10.1 Section 3 of the Local Government Act 2003 requires the Council to set limits and to keep under review how much it can afford to borrow. The amounts so determined are to be set on a rolling basis, for the forthcoming financial year and two successive financial years, a period of three years in total from 2020/2021 to 2022/2023 and are termed:

4.10.2 **Operational boundary for external debt.** This is the limit which external debt is not normally expected to exceed. It reflects the Council's expectations according to probable events.

Table 7: Operational boundary

	2019/2020 Forecast* £m	2020/2021 Estimate £m	2021/2022 Estimate £m	2022/2023 Estimate £m
Debt	1,572.502	1,707.959	1,905.708	1,952.476
Other long term liabilities	82.798	82.798	82.798	82.798
TOTAL	1,655.300	1,790.757	1,988.506	2,035.274

*As agreed by Cabinet on 19 September 2019.

4.10.3 **Authorised limit for external debt.** Another key prudential indicator providing a control on the maximum level of borrowing. This represents a limit beyond which external debt is prohibited, and this limit needs to be set or revised by the full Council. It reflects the level of external debt which could be afforded in the short term, but is not sustainable in the longer term.

4.10.4 The Council is asked to approve the following authorised limit:

Table 8: Authorised limit

	2019/2020 Forecast* £m	2020/2021 Estimate £m	2021/2022 Estimate £m	2022/2023 Estimate £m
Debt	1,622.502	1,757.959	1,955.708	2,002.476
Other long term liabilities	82.798	82.798	82.798	82.798
TOTAL	1,705.300	1,840.757	2,038.506	2,085.274

*As agreed by Cabinet on 19 September 2019

4.11 Interest Rate Exposure and Prospects for Interest Rates

4.11.1 The Council manages its exposure to interest rate risk by borrowing the majority of its funding requirements at fixed rates over a range of durations. This limits the impact on the Council's ability to cover interest costs when interest rates are rising. The Council is also looking into securing borrowing using forward agreements to limit exposure to future increases in interest over the short term. The Council has appointed Link Asset Services as its treasury advisor and part of their service is to assist the Council to formulate a view on interest rates. The following table gives their current view.

Table 9: Interest Rate Forecast December 2019 to March 2023

Link Asset Services Interest Rate View														
	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23
Bank Rate View	0.75	0.75	0.75	0.75	0.75	1.00	1.00	1.00	1.00	1.00	1.25	1.25	1.25	1.25
3 Month LIBID	0.70	0.70	0.70	0.80	0.90	1.00	1.00	1.00	1.10	1.20	1.30	1.30	1.30	1.30
6 Month LIBID	0.80	0.80	0.80	0.90	1.00	1.10	1.10	1.20	1.30	1.40	1.50	1.50	1.50	1.50
12 Month LIBID	1.00	1.00	1.00	1.10	1.20	1.30	1.30	1.40	1.50	1.60	1.70	1.70	1.70	1.70
5yr PWLB Rate	2.30	2.40	2.40	2.50	2.50	2.60	2.70	2.80	2.90	2.90	3.00	3.10	3.20	3.20
10yr PWLB Rate	2.60	2.70	2.70	2.70	2.80	2.90	3.00	3.10	3.20	3.20	3.30	3.30	3.40	3.50
25yr PWLB Rate	3.20	3.30	3.40	3.40	3.50	3.60	3.70	3.70	3.80	3.90	4.00	4.00	4.10	4.10
50yr PWLB Rate	3.10	3.20	3.30	3.30	3.40	3.50	3.60	3.60	3.70	3.80	3.90	3.90	4.00	4.00

4.11.2 Commentary on these interest rate forecasts has been provided by Link Asset Services in **Appendix E**.

4.12 Borrowing strategy

4.12.1 The Council is currently maintaining an under-borrowed position. This means that the capital borrowing need (CFR) has not been fully funded with borrowing as cash supporting the Council's reserves, balances and cash flow has been used as a temporary measure. This strategy is prudent when investment returns are low but counterparty risk, such as a bank failing or borrower defaulting, is still an issue that needs to be considered. Against this background and the risks within economic forecasts officers will be cautious when undertaking 2020/2021 treasury operations. The Director of Finance, Investment and Risk (S151 Officer) will monitor interest rates in financial markets and adopt a pragmatic approach to changing circumstances:

- if it was felt that there was a significant risk of a sharp fall in long and short term rates (e.g. due to a marked increase of risks around relapse into recession or of risks of deflation), then long term borrowings will be postponed, and potential rescheduling from fixed rate funding into short term borrowing will be considered.
- if it was felt that there was a significant risk of a much sharper rise in long and short term rates than that currently forecast, perhaps arising from an acceleration in the rate of increase in central rates in the USA and UK, an increase in world economic activity or a sudden increase in inflation risks, then the portfolio position will be re-appraised. Most likely, fixed rate funding will be drawn whilst interest rates are lower than they are projected to be in the next few years.

4.12.2 Any decisions will be reported to Cabinet at the next available opportunity.

4.13 Policy on borrowing in advance of need

4.13.1 The Council will not borrow more than, or in advance of, its needs purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be within forward approved CFR estimates, and will be considered carefully to ensure that value for money can be demonstrated and that the Council can ensure the security of such funds.

4.14 Debt rescheduling and repayment

4.14.1 As short term borrowing rates will be considerably cheaper than longer term fixed interest rates, there may be potential opportunities to generate savings by switching from long-term debt to short-term debt. However, these savings will need to be considered in the light of the current treasury position and the size of the cost of debt repayment (premiums incurred).

4.14.2 The reasons for any rescheduling to take place will include:

- the generation of cash savings and / or discounted cash flow savings;
- helping to fulfil the treasury strategy;
- enhance the balance of the portfolio (amend the maturity profile and/or the balance of volatility).

4.14.3 Consideration will also be given to identify if there is any residual potential for making savings by running down investment balances to repay debt prematurely

as short term rates on investments are likely to be lower than rates paid on current debt. The forecasts under-pinning this strategy assume that cash balances will be used to repay maturing debt, at least for the short-term, i.e. the next three-year period.

- 4.14.4 All rescheduling will be reported to Cabinet, at the earliest meeting following its action.

4.15 Sources of finance

- 4.15.1 The Council's main source of finance has traditionally been borrowing from the Public Works Loan Board (PWLB) where funds can be borrowed for up to 50 years at both fixed and variable rates. The Council has qualified for borrowing from the PWLB at the 'certainty rate' which is the prevailing PWLB interest rate on the date of borrowing less a discount of 0.20%. This discounted rate applies for funding of capital schemes through prudential borrowing and for the refinancing of maturing long term debt.
- 4.15.2 However, on 9 October 2019 PWLB decided to increase their margin over gilt yields by 1% to 1.8% on loans to local authorities. As a broad indication of the effect of this change overnight the move increased the rate for a PWLB 50-year new maturity loan from 1.81% to 2.82%. Whilst rates still remain low and the certainty rate will continue to be used as a benchmark it is clearly even more important that the Council continues to attempt to source cheaper alternatives to the PWLB. The Council currently uses other UK local authorities willing to offer loans up to 5 years and the European Investment Bank, both of which provide financing below the PWLB certainty rate. The Council has also found and will make use of commercial lenders willing to lend at competitive rates and continues to look at options such as local authority bonds and the Municipal Bond Agency. In order to reduce the risk that loans will mature when interest rates are peaking, debt is taken on in tranches that mature over a spread of years. New loans will be taken to fit into gaps in the Authority's existing debt maturity profile.
- 4.15.3 In the Autumn Budget 2017, the government announced that it would make available £1bn of lending at the Local Infrastructure Rate of gilts + 60bps to English local authorities. Following the announcement local authorities were asked to apply to HM Treasury to access funds at this reduced borrowing rate. Two bidding rounds were introduced running from 1 May 2018 to 31 July 2018 and 1 January 2019 to 31 March 2019. Up to £500m was made available in each bidding round, with a maximum of £100m available for any one local authority. The Council successfully submitted a bid and was granted access to borrowing of £43m for specific Growth Zone projects.
- 4.15.4 Long-term borrowing to support Borough regeneration will service the borrowing requirements of the Council's arms-length development company, Brick by Brick. Onwards lending will be at a margin to the cost of borrowing and interest payments together with repayment of principal will prime additional investment. Investment in the Borough's Growth Zone should generate additional business rates that can be applied to service debt funding.

ANNUAL INVESTMENT STRATEGY

4.16 Investment policy

- 4.16.1 The Council's investment policy has regard to the Ministry of Housing, Communities and Local Government (MHCLG) Guidance on Local Government Investments, the CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes 2017 (Treasury Management Code) and the CIPFA Treasury Management Guidance Notes 2018. Whilst MHCLG and CIPFA have extended the meaning of 'investments' to include both financial and non-financial investments this section of the report deals solely with financial investments as managed by the treasury management team. Non-financial investments, essentially the purchase of income yielding assets, are covered in the Capital Strategy.
- 4.16.2 The Council's investment priorities will be security first, liquidity second, then return. In accordance with the above guidance from the MHCLG and CIPFA, and in order to minimise the risk to investments, the Council applies minimum acceptable credit criteria in order to generate a list of highly creditworthy counterparties which also enables diversification and thus avoidance of concentration risk.
- 4.16.3 The key ratings used to monitor counterparties are the Short-Term and Long-Term ratings.

Ratings will not be the sole determinant of the quality of an institution; it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of the markets. To this end the Council will engage with its advisors to maintain a monitor on market pricing such as "credit default swaps" and overlay that information on top of the credit ratings. Other information sources used will include the financial press, share price and other such information pertaining to the banking sector in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.

- 4.16.4 Investment instruments identified for use in the financial year are summarised in paragraph 4.17 with further detail provided in **Appendix B** under the 'specified' and 'non-specified' investments categories. Specified investments are those with a high level of credit quality and subject to a maturity limit of one year whilst non-specified investments are of less high credit quality and may be used for periods in excess of one year.
- 4.16.5 The Council may wish, from time to time, to take advantage of financial derivative instruments in order to better manage risks, such as exposure to interest rate movements. Local authorities, including the Council, have previously made use of financial derivatives embedded into loans and investments both to reduce interest rate risk (e.g. interest rate collars and forward deals) and to reduce costs or increase income at the expense of greater risk (e.g. Lender Option Borrower Option or LOBO loans). However, previous legislation was understood to prevent the use of such tools where they were not embedded in other instruments. The Localism Act 2011 includes a general power of competence that removes the uncertain legal position over local authorities' use of standalone financial derivatives (i.e. those that are not embedded into a loan or investment). The latest CIPFA Treasury

Management Code requires local authorities to clearly detail their policy on the use of derivatives in their annual strategy.

- 4.16.6 The Council will only use financial derivatives (such as swaps, forwards, futures and options) either on a standalone, or embedded basis, where it can be clearly demonstrated that as part of the prudent management of the Council's financial affairs the use of financial derivatives will have the effect of reducing the level of financial risks that the Council is exposed to. Additional risks presented, such as credit exposure to derivative counterparties, will be taken into account when determining the overall level of risk. This will be determined in liaison with the Council's external advisors. Financial derivative transactions may be arranged with any organisation that meets the approved investment criteria. The current value of any amount due from a derivative counterparty will count against the counterparty credit limit and the relevant foreign country limit if applicable.
- 4.16.7 At all times the Council will comply with CIPFA advice and guidance on the use of financial derivatives and have regard to CIPFA publications on risk management.

4.17 Annual Investment Strategy

- 4.17.1 From time to time, under Section 15 (1) of the Local Government Act 2003 the Secretary of State issues statutory guidance on local government investments to which local authorities are required to "have regard."
- 4.17.2 The current guidance defines investments as "Specified" and "Non-specified".
- 4.17.3 An investment is a specified investment if all of the following apply:
- the investment and any associated payments or repayments are denominated in sterling;
 - the investment has a maximum maturity of one year;
 - the investment is not defined as capital expenditure; and
 - the investment is made with a body or in an investment scheme described as high quality or with the UK Government, a UK local authority or a parish or community council.
- 4.17.4 A non-specified investment is any investment that does not meet all the conditions in paragraph 4.17.3 above.
- 4.17.5 The Council's criteria for the selection of counterparties for investments are based on formal credit ratings issued by Fitch Ratings and supplemented by additional market data such as rating outlooks, the pricing of credit default swaps (CDs) and bank share prices. In addition to the Fitch rated institutions all UK local authorities and some public bodies comprise the Council's Approved Lending List.
- 4.17.6 Each week, the Council, along with other clients, receives from Link Asset Services, the Council's independent treasury advisors, a "Suggested Credit List." This is accompanied by a disclaimer reminding recipients, inter alia, as follows:

This document is intended for the use and assistance of customers of Link Asset Services. It should not be regarded as a substitute for the exercise by the recipient of its own judgement.

4.17.7 Notwithstanding this and other similar clauses Link are the largest suppliers of treasury management advisory services to UK local authorities and understand the market well. In their analysis they take into account the views of each of the three major credit ratings agencies along with the pricing of credit default swaps and market intelligence. They are better placed than Council officers to carry out this analysis and the Council has adopted the following lending list criteria:

Specified investments

AAA rated money market funds - limit £20m
Debt Management Office – no limit
Royal Bank of Scotland* – limit £25m
Duration of up to one year.

*Royal Bank of Scotland is included as a specified investment since it is the Council's banker and the UK Government holds a majority stake.

Non-specified investments

All institutions included on Link Asset Services' weekly "Suggested Credit List" – limit £10m
All UK local authorities – limit £10m
Duration to be determined by the "Suggested Credit List" from Link

4.17.8 As at 31st December 2019, short-term (1-3 months) investment interest rates were between 0.70% and 0.80% with longer term (up to 1 year) rates between 0.95% and 1.10%. Investments will be made to take advantage of higher yields and to hedge against future decreases in bank rates. Daily liquidity requirements will be met by investing in AAA-rated MMFs. As investment rates are influenced throughout the year by the release of key items of data, there may be occasions when some investments will be pitched towards specific periods to take advantage of any unexpected higher rates resulting from data issued.

4.17.9 Based on cashflow forecasts for 2020/2021 the Council anticipates its average daily cash balances for the year to be £70m which includes new borrowing of £270m due to be borrowed during the year. The overall balances include schools balances and HRA revenue balances for which an apportionment of interest earned is made. The net income then due to the General Fund is estimated at £0.525m.

4.18 Prudential Indicators

4.18.1 The Prudential Indicators for 2020/2021 to 2022/2023 are attached in Appendix C in accordance with the Code.

4.18.2 The Director of Finance, Investment and Risk (S151 Officer) is responsible for setting up and monitoring the Prudential Indicators in accordance with the Council's Capital Strategy.

4.18.3 The Council is also required to confirm that it has adopted the CIPFA Code of Practice on Treasury Management.

4.18.4 The Prudential Indicators set will be monitored throughout the year and will be reported to Cabinet on a regular basis.

4.18.5 The indicators break down into four blocks relating to capital expenditure; the affordability of the investment programme; debt; and treasury management as follows:

1. The capital investment indicators reflect the Council's future plans to undertake capital works, and the extent to which these will be funded through borrowing. (**See Appendix C**).
2. Apart from borrowing that is directly supported by government grant funding, the cost of new prudential borrowing to the Council will be £80 per Band D council taxpayer in 2019/2020. This Prudential Indicator reflects the impact of funding decisions relating to capital investment. The Code specifically indicates that it is not appropriate to compare this indicator with those of other authorities.
3. The external debt indicators illustrate the calculation of the authorised borrowing limit.
4. The treasury indicators show that the Council will limit its exposure to variable rate debt to no more than 20% of total debt and will only invest up to 30% of the total investments for periods in excess of one year, for reasons of limiting exposure to risk and guaranteeing adequate liquidity. The final indicator sets a profile for the maturing of new debt.

5 CONSULTATION

5.1 Full consultation in respect of the contents of this report has taken place with the Council's treasury management advisors Link Asset Services in preparing this report.

6 PRE-DECISION SCRUTINY

6.1 The Council's 2020/21 budget was considered at Scrutiny and Overview Committee on the 10th February 2020.

7 FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

7.1 Revenue and Capital consequences of this report are dealt with within this report. There are no additional financial considerations other than those identified in this report.

The effect of the decision

7.2 Approval to this report will ensure that the Council meets both its legal and financial management requirements in respect of Treasury Management.

Risks

7.3 There are no further risks issues other than those already detailed in this report.

Options

7.4 These are fully dealt with in this report.

Future savings/efficiencies

- 7.5 This report sets out the Treasury Management Strategy and identifies that new loans and debt restructuring will only be undertaken on advice from our treasury management advisors.

Approved by: Lisa Taylor, Director of Finance, Investment and Risk (S151 Officer)

8 LEGAL CONSIDERATIONS

- 8.1 The Head of Litigation and Corporate Law comments on behalf of the Director of Law and Governance that the recommendations within this report are reserved matters for decision by Full Council. The legal implications are set out under the various sections within the report but in particular these include the requirement for the Council to produce a balanced budget of which the various strategies and limits detailed within this report form a part.
- 8.2 Furthermore, the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 (as amended) made pursuant to the Local Government Act 2003 requires the Council to have regard to CIPFA's Prudential Code for Capital Finance in Local Authorities ("The Prudential Code"). Regulations 23 and 24 provide respectively that capital receipts may only be used for specified purposes and that in carrying out its capital finance functions, a local authority must have regard to the code of practice in "Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes (2017 Edition)" ("The Treasury Code") issued by CIPFA.
- 8.3 In relation to the Annual investment strategy, the Council is required to have regard to the Guidance issued by the Secretary of State under section 15(1)(a) of the Local Government Act 2003 entitled "Statutory guidance on Local Government Investments 3rd Edition" which is applicable from and effective for financial years commencing on or after 1 April 2018.
- 8.4 In addition, two codes of practice issued by the Chartered Institute of Public Finance and Accountancy (CIPFA) contain investment guidance which complements the Ministry of Housing Communities and Local Government (MHCLG) guidance. These publications are:
- Treasury Management in the Public Services: Code of Practice and Cross Sectoral Guidance Notes
 - The Prudential Code for Capital Finance in Local Authorities
- 8.5 Local authorities are required to have regard to the current editions of the CIPFA codes by regulations 2 and 24 of the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 as amended.
- 8.6 The requirement for a Capital Strategy Statement stems from the provisions of the Prudential Code which was most recently updated in December 2017. The Prudential Code requires authorities to look at capital expenditure and investment plans in the light of overall organisational strategy and resources and ensure that decisions are made with sufficient regard to the long run financing implications and potential risks to the authority. The Prudential Code sets out that in order to demonstrate that the authority takes capital expenditure and investment decisions

in line with service objectives and properly takes account of stewardship, value for money, prudence, sustainability and affordability, authorities should have in place a capital strategy.

Approved by: Sandra Herbert, Head of Litigation and Corporate Law on behalf of the Director of Law and Governance & Deputy Monitoring Officer

9 HUMAN RESOURCES IMPACT

9.1 There are no immediate human resource implications as a consequence of this report.

Approved by: Sue Moorman, Director of Human Resources

10 EQUALITIES IMPACT

10.1 There are no specific equalities considerations arising from this report.

10.2 Consistent with the requirements of equal opportunities legislation including the Public Sector Equality Duty, the Council carries out an equality impact assessment on new policies, or existing policies which are the subject of major change.

10.3 The Council's Capital and Revenue Budget 2020/2021 is not subject to an equality impact assessment. However, in those areas where the setting of the capital and revenue budget result in changes to services or policies, then the relevant service department will carry out an equality impact assessment which evaluates the impact on any protected groups. The impact assessment includes both positive and negative impacts, and if required, the actions that will be taken to mitigate the impact.

Approved by: Gavin Handford, Director of Policy & Partnership

11 ENVIRONMENTAL IMPACT

11.1 There are no Environment and Design impacts arising from this report.

12 CRIME AND DISORDER REDUCTION IMPACT

12.1 There are no Crime and Disorder reduction impacts arising from this report.

13 REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

13.1 The recommendations proposed are in accordance with the Treasury Management in the Public Services Code of Practice 2017 Edition and the Prudential Code for Capital Finance in Local Authorities 2017.

14 OPTIONS CONSIDERED AND REJECTED

14.1 Consideration and evaluation of alternative options are dealt with within this report.

15 DATA PROTECTION IMPLICATIONS

15.1 Will the subject of the report involve the processing of “personal data?”

No

15.2 **HAS A DATA PROTECTION IMPACT ASSESSMENT (DPIA) BEEN COMPLETED?**

No

Approved by: Lisa Taylor, Director of Finance, Investment and Risk (S151 Officer)

CONTACT OFFICER:

Nigel Cook, Head of Pensions and Treasury
Ext 62552

BACKGROUND DOCUMENTS:

None

APPENDICES:

Appendix A: Long-term debt profile

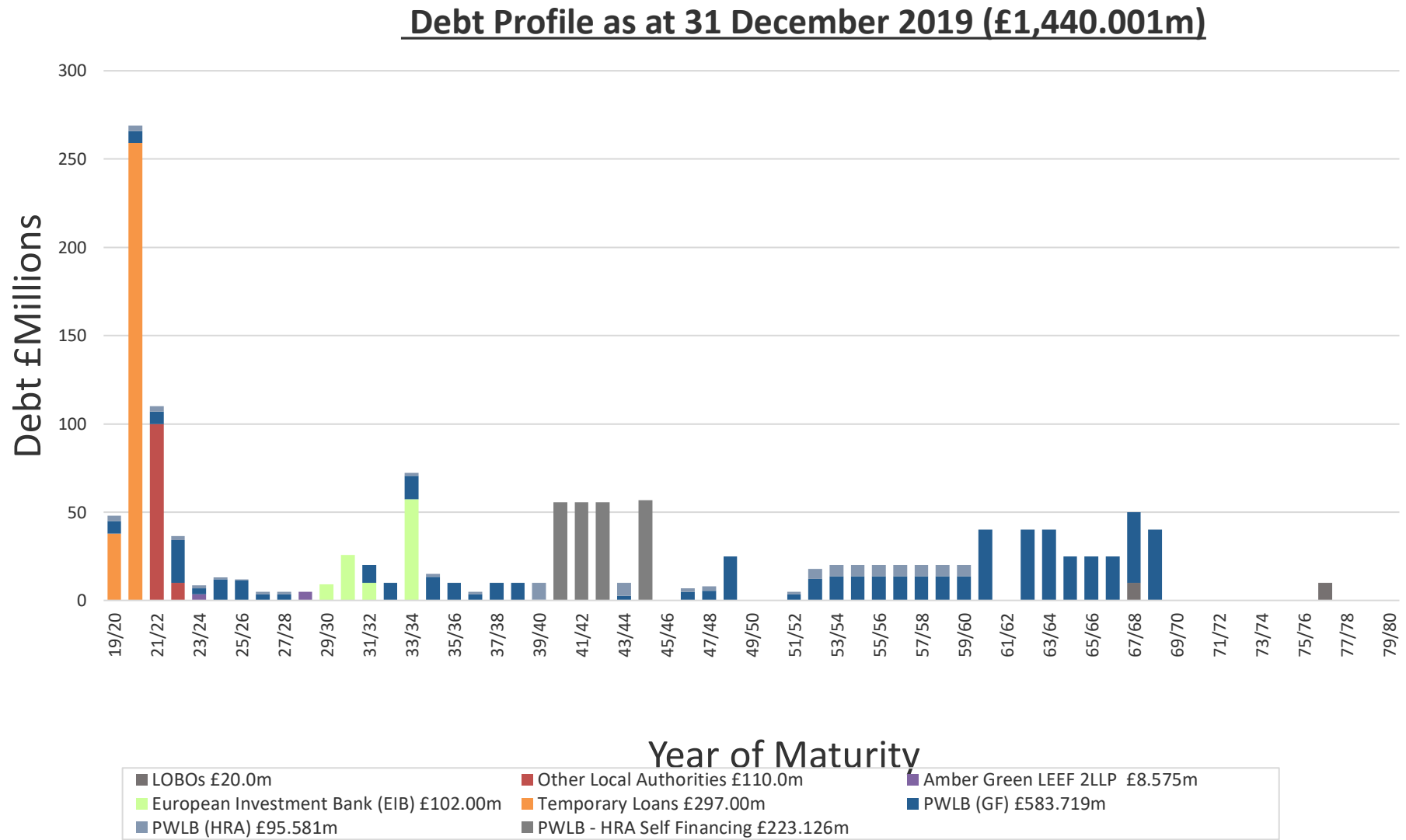
Appendix B: Specified and non-specified investments

Appendix C: Prudential Indicators

Appendix D: Minimum Revenue Provision Policy

Appendix E: Commentary on Interest Rate Forecasts

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LOCAL GOVERNMENT INVESTMENTS (ENGLAND)
SPECIFIED AND NON-SPECIFIED INVESTMENTS

- a. **Specified Investments** - Where there is a change in the current investment policy this is specifically noted. All investments shall consist of investments under one year as follows:
- Debt Management Agency Deposits Facility (DMADF) which is currently available for investments up to six months.
 - Term deposits with the UK Government or with UK local authorities (i.e. local authorities as defined under Section 23 of the 2003 Act) with maturities up to one year.
 - Term deposits with credit - rated deposit takers (banks and building societies) including callable deposits, with maturities up to one year.
 - Certificate of Deposits issued by credit - rated deposit takers (banks and building societies) up to one year.
 - AAA rated Money Market Funds (i.e. a collective investment scheme as defined in SI. 2004 No 534).
 - Bonds issued by multinational development banks (as defined in SI 2004 No 534) with maturities under 12 months. The Council currently does not invest in this type of investment. It is recommended, however, that these can now be used and held until maturity, after consulting and taking advice from the treasury management consultants.
 - Enhanced AAA rated Money Market Funds. These funds differ from traditional AAA Money Market Funds in that they take more interest rate risk by managing portfolios with a longer weighted average maturity period. They may also take greater credit risk by holding assets with lower credit ratings and / or have a longer weighted average life. Depending on whether the fund is UK or US administered, it would be rated by only one of the rating agencies. Hence, although the minimum requirement is an AAA rating, the rating need only be given by one of the agencies. Typically these funds are designed to produce an enhanced return and this requires the fund manager to take more risk (whether credit, interest rate or liquidity) than the traditional AAA Money Market Funds. The Council currently does not invest in this type of fund. It is recommended, however, that these can now be considered, after consulting and taking advice from the treasury management consultants subject to the same criteria as other investments.
 - UK Government Gilts. These are bonds issued by the UK Government representing a very low credit risk with options to sell in the secondary market.

- UK Government Treasury Bills which are debt instruments issued by the Government's Debt Management Office through weekly auctions. The bills are issued with maturities of one, three and six months.

- b. **Non-Specified investments** - Local authorities now have specific powers to invest for periods in excess of one year. Previously such investments were not permissible, except in respect of the Council's Pension Fund (where specific legislation exists). It is recommended that these shall consist of:
- Term deposits with credit - rated deposit takers (banks and building societies) with maturities greater than one year. As a general rule they cannot be traded or repaid prior to maturity. The risk with these is that interest rates could rise after making the investment and there is also the potential that there could be a deterioration of the credit risk over a longer period. It is recommended, therefore, that the use of this investment is limited to a maximum of five years following advice from the Council's treasury management advisers.
 - Term Deposits with UK local authorities. This investment represents intra-authority loans i.e. from one local authority to another for the purpose of cash-flow management. The risk with these is that interest rates could rise after making the investment and it is therefore recommended that the use of this investment is limited to a maximum of five years following advice from the Council's treasury management advisers. This risk is common to all term deposits whether with local authorities or other counterparties.
 - Certificate of Deposits (C.D.) issued by credit - rated deposit takers (banks and building societies) with maturities greater than one year. With these investments there is a market or interest risk. Yield is subject to movement during the life of the CD, which could negatively impact on the price of the CD if traded early. It is recommended, therefore, that the use of this investment is limited to a maximum of five years and sold on maturity following advice from the Council's treasury management advisers.
 - Callable deposits with credit rated deposit takers (banks and building societies) with maturities greater than one year. These have the potential of higher return than using a term deposit with a similar maturity. The risk is that only the borrower has the right to pay back the deposit, the lender does not have a similar call, as although the term is fixed only the borrower has the option to repay early. There is, therefore, no guarantee that the loan will continue to its maturity. The interest rate risk is that the borrower is unlikely to pay back the deposit earlier than the maturity date if interest rates rise after the deposit is made.
 - Forward deposits with credit rated banks and building societies for periods greater than one year (i.e. negotiated deal period plus period of deposit). The advantage of the investment is that there is a known rate of return over the period the monies are invested which aids forward planning. The credit risk is that if the credit rating falls or interest rate rise in the interim period the deposit period cannot be changed. It is recommended, therefore, that the use of this investment is limited to a maximum of five years following advice from the Council's treasury management advisers.

- Bonds issued by multilateral development banks (as defined by SI. 2004 No 534). These have an excellent credit quality and are relatively liquid. If they are held to maturity there is a known yield, which would be higher than that on comparable gilts.
- If traded, there could be a potential for capital gain or loss through appreciation or depreciation in value. The market or interest risk is that the yield is subject to movement during the life of the bond, which could impact on the price of the bond, i.e. if sold prior to redemption date. Given the potential for loss any investment would need to be based on the principle that they would be bought and held until maturity. It is recommended, therefore, that the use of this investment is limited to a maximum of five years following advice from the Council's treasury management advisers.
- Enhanced Money Market Funds. These funds differ from traditional AAA Money Market Funds in that they take more interest rate risk by managing portfolios with a longer weighted average maturity period. They may also take greater credit risk by holding assets with lower credit ratings and / or have a longer weighted average life. Depending on whether the fund is UK or US administered, it would be rated by only one of the rating agencies. Hence, although the minimum requirement is an AAA rating, the rating need only be given by one of the agencies. Typically these funds are designed to produce an enhanced return and this requires the fund manager to take more risk (whether credit, interest rate or liquidity) than the traditional AAA Money Market Funds. The Council currently does not invest in this type of fund. It is recommended, however, that these can now be considered, after consulting and taking advice from the treasury management consultants subject to the same criteria as other investments.
- UK Government Gilts. These are bonds issued by the UK Government representing a very low credit risk with options to sell in the secondary market. If held to maturity there is a known yield but if traded there could be a potential for capital gain or loss through appreciation or depreciation in value. Given the potential for loss, any investment would need to be based on the principle that UK government gilts would be bought and held until maturity. It is recommended, therefore, that the use of this investment is limited to a maximum of five years following advice from the Council's treasury management advisers. If held to maturity, these bonds represent the nearest to a risk-free investment.
- Property Funds. Property funds can provide stable returns in terms of fixed period rents, whether commercial or industrial rentals. Property funds can be regulated or unregulated. An investment in share or loan capital issued by a regulated property fund is not treated as capital expenditure but an investment in an unregulated fund would count as capital expenditure. Given the nature of the property sector, a longer-term time horizon will need to be considered for this type of investment. The Council currently has invested in one property fund; the Real Lettings Property Fund Limited Partnership – see 3.5.13. It is recommended, however, that any future investments in property

funds should only be considered, after consulting and taking advice from the treasury management consultants.

- Floating Rate Notes (FRNs). These are typically longer term bonds issued by banks and other financial institutions which pay interest at fixed intervals. The floating rate nature of these instruments reduces the exposure to interest rate risk as the interest rate is re-fixed at the beginning of every interest rate period. The option to redeem before maturity is available through the secondary market. It is recommended that investments in FRNs be restricted to those issued by institutions on the Council's authorised lending list, after consulting and taking advice from the treasury management consultants.
- Corporate Bonds are issued by corporate institutions for example General Electric, Vodafone etc. They offer local authorities an alternative to the usual financial institutions. For Corporate Bonds, the minimum credit rating criteria of AA- should apply to fit within the Council's investment parameters. It is recommended that the use of this type of investment can now be considered, after consulting and taking advice from the treasury management consultants.
- Covered Bonds. These are a type of secured bond that is usually backed by mortgages or public sector loans. An important feature of covered bonds is that investors have dual recourse, both to the issuer and to the underlying pool of assets. It is recommended that the use of this investment can now be considered, after consulting and taking advice from the treasury management consultants.
- Investment in equity of any company wholly owned by Croydon Council.

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PRUDENTIAL INDICATORS FOR 2019/20 – 2022/2023

PRUDENTIAL INDICATORS	2019/20 Forecast Outturn £m	2020/21 Forecast £m	2021/22 Forecast £m	2022/23 Forecast £m
1. <u>Prudential Indicators for Capital Expenditure</u>				
1.1. Capital Expenditure				
- General Fund	136.102	111.036	65.990	28.544
- Commercial activities/ non financial investments	100.388	190.510	143.700	32.000
- HRA	42.205	35.701	39.951	26.951
Total	278.695	337.247	249.641	87.495
1.2. In year Capital Financing Requirement (see Table 3)				
- General Fund - gross of MRP costs	148.589	272.708	189.949	46.768
- HRA	7.097	8.545	11.800	4.000
Total	155.686	281.253	201.749	50.768
1.3. Capital Financing Requirement as at 31 st March – balance sheet figures				
- General Fund (net of MRP costs)	1,199,609	1,461,317	1,639,266	1,674,034
- HRA -	329,594	338,139	349,939	353,939
Total	1,529,203	1,799,456	1,989,205	2,027,973
2. <u>Prudential Indicators for Affordability</u>				
2.1. Ratio of financing costs to net revenue streams				
- General Fund	12.30%	13.86%	16.13%	16.73%
- HRA	27.16%	26.59%	25.91%	25.16%
3. <u>Prudential Indicators for Long External Debt</u>				
3.1. Debt brought forward 1 st April	1,357,113	1,512,799	1,790,757	1,988,506
Debt carried forward 31 st March (Includes the £223.1m debt for the HRA self- financing settlement sum plus RIF & Growth Zone borrowings in future years).	1,512,799	1,790,757	1,988,506	2,035,274
<u>Additional Borrowing</u>	155,686	277,958	197,749	46,768

PRUDENTIAL INDICATORS	2019/20 Forecast Outturn £m	2020/21 Forecast £m	2021/22 Forecast £m	2022/23 Forecast £m
3.2. Operational boundary for external debt (excludes revenue borrowing) Borrowing	1,572,502	1,707,959	1,905,708	1,952,476
Other long term liabilities	82,798	82,798	82,798	82,798
3.3. Total operational debt (excludes revenue borrowing)	1,572,502	1,707,959	1,905,708	1,952,476
Add margin for cash flow contingency	50,000	50,000	50,000	50,000
Authorised limit for external debt (includes revenue borrowing)	1,622,502	1,757,959	1,955,708	2,002,476
Other long term liabilities	82,798	82,798	82,798	82,798
Authorised Borrowing Limit	1,705,300	1,840,757	2,038,506	2,085,274
4. Prudential Indicators for Treasury Management				
4.1. Lending limits - upper limit for total principal sums invested for over 365 days expressed as a % of total investments	30%	30%	30%	30%
4.2. Maturity structure of loans payable in:		Lower limit		Upper limit
- Under 12 months		0		25%
- 12 months to 24 months		0		25%
- 24 months to 5 years		0		25%
- 5 years to 10 years		0		25%
- 10 years and above		0		100%

MINIMUM REVENUE PROVISION POLICY STATEMENT FOR 2020/2021

1. The Council has given regard to Guidance issued by the Secretary of State under Section 21(1A) of the Local Government Act 2003 which was revised on 2 February 2018.
2. The Council's MRP Policy Statement for 2020/2021 is to be as follows:
 - 2.1. For the proportion relating to historic debt (incurred up to 31 March 2008) and to Government-supported capital expenditure incurred since, the MRP policy will be to adopt Option 1 - the Regulatory Method by providing a fixed amount each financial year, calculated at 2% of the balance at 31 March 2015, reducing on a straight line basis so that the whole debt is repaid after 50 years.
 - 2.2. For unsupported borrowing undertaken since 1 April 2008, reflected within the CFR debt liability at 31 March 2021, the MRP policy will be to adopt Option 3 – Asset Life Method – Annuity method from the Guidance. Estimated life periods will continue to be determined under delegated powers. To the extent that expenditure is not on the creation of an asset and is of a type that is subject to estimated life periods that are referred to in the Guidance, these periods will generally be adopted by the Council. However, the Council reserves the right to determine useful life periods and prudent MRP in exceptional circumstances where the recommendations of the Guidance would not be appropriate.
3. As some types of capital expenditure incurred by the Council are not capable of being related to an individual asset, asset lives will be assessed on a basis which most reasonably reflects the anticipated period of benefit that arises from the expenditure. Also, whatever type of expenditure is involved, it will be grouped together in a manner which reflects the nature of the main component of expenditure and will only be divided up in cases where there are two or more major components with substantially different useful economic lives.
4. Where schemes are not fully completed at the end of the financial year, MRP charges will be deferred until the schemes are complete and the assets are operational.
5. MRP on Public Finance Initiative (PFI) schemes debt is to be charged on an annuity basis over the remaining life of each scheme.
6. The Council retains the right to undertake additional voluntary payments if required (Voluntary Revenue Provision – VRP).
7. There will be circumstances when the Council will not be making a provision for the repayment of debt.
8. The Authority will provide loans on a commercial basis which will be used to fund capital expenditure and thus should therefore be treated as capital expenditure and a loan to a third party. The CFR will increase by the amount

of the loans advanced and under the terms of the contractual loan agreements are due to be returned in full with interest paid. When these funds are returned to the Authority, the returned funds will be classed as a capital receipt and offset against the CFR, which will reduce accordingly. As this is in effect a temporary arrangement and the funds will be returned to the Council in full, there is no need to set aside prudent provision to repay the debt liability in the interim period, so there is no MRP application. The outstanding loan will be reviewed on an annual basis and if the likelihood of default increases, a prudent MRP policy will commence.

9. The Authority is purchasing commercial property to be held as part of its Investment Property Portfolio. The properties are held for investment purposes and are managed on a fully commercial basis. The purchase of these properties will be treated as capital expenditure and will increase the CFR. The Council is holding these properties solely for investment purposes and they are leased to tenants on a fully repairing basis. As the Council has the ability to sell these properties to repay any outstanding debt liabilities related to their purchase, there is no need to set aside prudent provision to repay the debt liability in the interim period, so there is no MRP application. The market value of the assets will be reviewed on a regular basis and if the asset value significantly decreases, a prudent MRP policy will commence.
10. The Council's cash investment in the Real Lettings Property Fund LP under a 7-year life arrangement is due to be returned in full at maturity with interest paid on outstanding balances annually. The cash investment will be treated as capital expenditure with the Council's CFR increasing by this amount. At maturity, the funds returned to the Council will be treated as a capital receipt and the CFR will reduce accordingly. As this is a temporary arrangement over 6 years, and as the funds are to be returned in full, there is no need to set aside prudent provision to repay the debt liability in the interim period, and therefore no MRP application is required.
11. Loans borrowed from Amber Green LEEF 2LLP or an alternative source to fund energy efficiency and carbon reduction schemes at certain educational institutions within the Borough will be recovered in full from these institutions. As such, there is no need to set aside prudent provision to repay the debt liability in the interim period, and therefore no MRP application is required.

COMMENTARY ON PROSPECTS FOR INTEREST RATES PROVIDED BY LINK ASSET SERVICES IN JANUARY 2020

The Council has appointed Link Asset Services as its treasury advisor and part of their service is to assist the Council to formulate a view on interest rates. The following table gives our central view.

Link Asset Services Interest Rate View														
	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Mar-22	Jun-22	Sep-22	Dec-22	Mar-23
Bank Rate View	0.75	0.75	0.75	0.75	0.75	1.00	1.00	1.00	1.00	1.00	1.25	1.25	1.25	1.25
3 Month LIBID	0.70	0.70	0.70	0.80	0.90	1.00	1.00	1.00	1.10	1.20	1.30	1.30	1.30	1.30
6 Month LIBID	0.80	0.80	0.80	0.90	1.00	1.10	1.10	1.20	1.30	1.40	1.50	1.50	1.50	1.50
12 Month LIBID	1.00	1.00	1.00	1.10	1.20	1.30	1.30	1.40	1.50	1.60	1.70	1.70	1.70	1.70
5yr PWLB Rate	2.30	2.40	2.40	2.50	2.50	2.60	2.70	2.80	2.90	2.90	3.00	3.10	3.20	3.20
10yr PWLB Rate	2.60	2.70	2.70	2.70	2.80	2.90	3.00	3.10	3.20	3.20	3.30	3.30	3.40	3.50
25yr PWLB Rate	3.20	3.30	3.40	3.40	3.50	3.60	3.70	3.70	3.80	3.90	4.00	4.00	4.10	4.10
50yr PWLB Rate	3.10	3.20	3.30	3.30	3.40	3.50	3.60	3.60	3.70	3.80	3.90	3.90	4.00	4.00

The above forecasts have been based on an assumption that there is an agreed deal on Brexit, including agreement on the terms of trade between the UK and EU, at some point in time. The result of the general election has removed much uncertainty around this major assumption. However, it does not remove uncertainty around whether agreement can be reached with the EU on a trade deal within the short time to December 2020, as the prime minister has pledged.

It has been little surprise that the Monetary Policy Committee (MPC) has left Bank Rate unchanged at 0.75% so far in 2019 due to the ongoing uncertainty over Brexit and the outcome of the general election. In its meeting on 7 November, the MPC became more dovish due to increased concerns over the outlook for the domestic economy if Brexit uncertainties were to become more entrenched, and for weak global economic growth: if those uncertainties were to materialise, then the MPC were likely to cut Bank Rate. However, if they were both to dissipate, then rates would need to rise at a “gradual pace and to a limited extent”. Brexit uncertainty has had a dampening effect on UK GDP growth in 2019, especially around mid-year. There is still some residual risk that the MPC could cut Bank Rate as the UK economy is still likely to only grow weakly in 2020 due to continuing uncertainty over whether there could effectively be a no deal Brexit in December 2020 if agreement on a trade deal is not reached with the EU. Until that major uncertainty is removed, or the period for agreeing a deal is extended, it is unlikely that the MPC would raise Bank Rate.

Bond yields / PWLB rates. There has been much speculation during 2019 that the bond market has gone into a bubble, as evidenced by high bond prices and remarkably low yields. However, given the context that there have been heightened expectations that the US was heading for a recession in 2020, and a general background of a downturn in world economic growth, together with inflation generally at low levels in most countries and expected to remain subdued, conditions are ripe for low bond yields. While inflation targeting by the major central banks has been successful over the last thirty years in lowering inflation expectations, the real equilibrium rate for central rates has fallen considerably due to the high level of borrowing by consumers: this means that central banks do not need to raise rates as much now to have a major impact on consumer spending, inflation, etc. This has pulled down the overall level of

interest rates and bond yields in financial markets over the last thirty years. We have therefore seen over the last year, many bond yields up to ten years in the Eurozone actually turn negative. In addition, there has, at times, been an inversion of bond yields in the US whereby ten-year yields have fallen below shorter-term yields. In the past, this has been a precursor of a recession. The other side of this coin is that bond prices are elevated, as investors would be expected to be moving out of riskier assets i.e. shares, in anticipation of a downturn in corporate earnings and so selling out of equities. However, stock markets are also currently at high levels as some investors have focused on chasing returns in the context of dismal ultra-low interest rates on cash deposits.

During the first half of 2019-20 to 30 September, gilt yields plunged and caused a near halving of longer term PWLB rates to completely unprecedented historic low levels. There is though, an expectation that financial markets have gone too far in their fears about the degree of the downturn in US and world growth. If, as expected, the US only suffers a mild downturn in growth, bond markets in the US are likely to sell off and that would be expected to put upward pressure on bond yields, not only in the US, but also in the UK due to a correlation between US treasuries and UK gilts; at various times this correlation has been strong but at other times weak. However, forecasting the timing of this, and how strong the correlation is likely to be, is very difficult to forecast with any degree of confidence. Changes in UK Bank Rate will also impact on gilt yields.

One potential danger that may be lurking in investor minds is that Japan has become mired in a twenty-year bog of failing to get economic growth and inflation up off the floor, despite a combination of massive monetary and fiscal stimulus by both the central bank and government. Investors could be fretting that this condition might become contagious to other western economies.

Another danger is that unconventional monetary policy post 2008, (ultra-low interest rates plus quantitative easing), may end up doing more harm than good through prolonged use. Low interest rates have encouraged a debt-fuelled boom that now makes it harder for central banks to raise interest rates. Negative interest rates could damage the profitability of commercial banks and so impair their ability to lend and / or push them into riskier lending. Banks could also end up holding large amounts of their government's bonds and so create a potential doom loop. (A doom loop would occur where the credit rating of the debt of a nation was downgraded which would cause bond prices to fall, causing losses on debt portfolios held by banks and insurers, so reducing their capital and forcing them to sell bonds – which, in turn, would cause further falls in their prices etc.). In addition, the financial viability of pension funds could be damaged by low yields on holdings of bonds.

The overall longer run future trend is for gilt yields, and consequently PWLB rates, to rise, albeit gently. From time to time, gilt yields, and therefore PWLB rates, can be subject to exceptional levels of volatility due to geo-political, sovereign debt crisis, emerging market developments and sharp changes in investor sentiment. Such volatility could occur at any time during the forecast period.

In addition, PWLB rates are subject to ad hoc decisions by **H.M. Treasury** to change the margin over gilt yields charged in PWLB rates: such changes could be up or down.

It is not clear that if gilt yields were to rise back up again by over 100bps within the next year or so, whether H M Treasury would remove the extra 100 bps margin implemented on 9.10.19.

Economic and interest rate forecasting remains difficult with so many influences weighing on UK gilt yields and PWLB rates. The above forecasts, (and MPC decisions), will be liable to further amendment depending on how economic data and developments in financial markets transpire over the next year. Geopolitical developments, especially in the EU, could also have a major impact. Forecasts for average investment earnings beyond the three-year time horizon will be heavily dependent on economic and political developments.

Investment and borrowing rates

- Investment returns are likely to remain low during 2020/21 with little increase in the following two years. However, if major progress was made with an agreed Brexit, then there is upside potential for earnings.
- Borrowing interest rates were on a major falling trend during the first half of 2019-20 but then jumped up by 100 bps on 9.10.19. The policy of avoiding new borrowing by running down spare cash balances has served local authorities well over the last few years. However, the unexpected increase of 100 bps in PWLB rates requires a major rethink of local authority treasury management strategy and risk management. Now that the gap between longer term borrowing rates and investment rates has materially widened, and in the long term Bank Rate is not expected to rise above 2.5%.

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REPORT TO:	CABINET 24th February 2020
SUBJECT:	QUARTER 3 FINANCIAL PERFORMANCE 2019/20
LEAD OFFICER:	Lisa Taylor Director of Finance, Investment And Risk (Section 151 Officer) Jacqueline Harris Baker, Executive Director Resources & Monitoring Officer
CABINET MEMBER:	Councillor Tony Newman, Leader Of The Council Councillor Simon Hall, Cabinet Member For Finance And Resources
WARDS:	ALL

CORPORATE PRIORITY/POLICY CONTEXT:

The recommendations in the report will help to ensure effective management, governance and delivery of the Council's medium term financial strategy and ensure a sound financial delivery of the 2019/20 in-year budget. This will enable the ambitions for the borough for the remainder of this financial year to be developed, programmed and achieved for the residents of our borough.

AMBITIONS FOR CROYDON & WHY WE ARE DOING THIS:

Strong financial governance and stewardship ensures that the Council's resources are aligned to enable the priorities, as set out in the Corporate Plan, to be achieved for the residents of our borough and further enables medium to long term strategic planning considerations based on this strong financial foundation and stewardship.

FINANCIAL IMPACT

The reduced financial settlement, insufficient funding from the Home Office for UASC and ongoing demand pressures on a range of statutory services is resulting in pressures to the Council's budget, and resulting in a forecast over-spend at Quarter 3.

The Council has been undertaking a series of measures during the year to contain these pressures. Many of these measures are one off, and work will need to continue both in-year and in subsequent financial years to ensure the Council operates within the funding available to it.

FORWARD PLAN KEY DECISION REFERENCE NO.

Not a key decision.

The Leader of the Council has delegated to the Cabinet the power to make the decisions set out in the recommendations below

1 RECOMMENDATIONS

Cabinet is recommended to :

- i) Note the current revenue outturn forecast at the end of the third quarter of 2019/20 of **£5.8m** underspend, before exceptional items of **£8.2m**, resulting in a total overspend of **£2.4m**;

- ii) Note that the exceptional items of **£8.2m** relate to costs incurred by Croydon Council for Unaccompanied Asylum Seeking Children (UASC) and No Recourse To Public Funds (NRPF), due to woefully insufficient funding from the Home Office.
- iii) Note the ongoing engagement with and lobbying of Government by the Council for additional funding for Croydon, both in general terms and specifically Unaccompanied Asylum Seeking Children given Croydon's gateway status.
- iv) Note the HRA position of a **£1.5m** forecast overspend against budget;
- v) Note the capital outturn projection of **£277m**, forecast to be an underspend of **£159m** against budget;

RECOMMEND TO COUNCIL

- vi) The approval to reduce to the capital programme by **£1.2m** as set out in Table 6.

2. EXECUTIVE SUMMARY

- 2.1 This report updates Members on the Council's financial outlook at the end of the third quarter of 2019/20, which remains against a context of a series of adverse national funding changes affecting Local Government finance. This includes an ongoing chronic underfunding of Unaccompanied Asylum Seeking Children (UASC).
- 2.2 The budget set in February 2019 for 2019/20 assumed grant reductions of £7.8m (8.2%) in the financial year. To manage this reduction there were a number of savings totalling **£27.9m** built in to the budget. Alongside these savings there was growth of **£28.8m** for areas where demand and costs have increased with a continued shift of resources into Children, Families and Education. A sum of **£5.4m** will also be added to revenue reserves in 2019/20, replacing the amount drawn down at the end of 2018/19. This sum represents the surplus available from the collection fund during 2018/19, which was not available until after 1 April 2019.
- 2.3 Croydon Council continues to remain under huge financial pressures, deriving notably from:
- Historic underfunding of Croydon over the last 15-20 years,
 - Cumulative cuts of more than 75% of government funding between 2010/11 and 2019/20,
 - Failure to recognise the inflationary pressures the Council is subject to,
 - The Local Government Association (LGA) predicted funding shortfall of £8bn across the Public Sector by 2025. This is as a result of growing demand for services and increases in population particularly in social care services where the gap for adult social care is predicted to be £3.6bn by 2025 and £3.1bn in children's services.
 - Predicted shortfalls in a number of other areas, with key ones being, Homelessness at £421m and Public Health £655m
 - Substantial population increase
 - Significant growth in demand for services, both from demographic pressures, such as an aging population and changes to the make-up of the Croydon population
 - Impact of welfare reform, notably the benefits cap, freezing of in-work benefits, inadequacy of local housing allowance, universal credit,
 - Underfunding of new duties, such as Health Visiting, Deprivation of Liberty assessments, the Homelessness Reduction Act, extension of responsibility for care leavers to 25.

- Continued failure to properly fund the direct and indirect costs of Croydon's status as the gateway authority for Unaccompanied Asylum Seeking Children (UASC), even in the face of increased funding for other authorities
- Impact of the underfunding of the health economy
- Failure to fund the cost of High Needs via Dedicated Schools Grant adequately
- Restrictions on council housing, including rent restrictions and rules on right-to-buy receipts.
- Delivering improvement as a result of the recent Ofsted inspection findings in Children's Social Care.

2.4 The financial monitoring process has identified a number of pressures across the council with the most significant being within the Health, Wellbeing and Adults department. The Council's overall forecast revenue over spend of **£2.371m** is made up of Departmental under spends of **£5.848m**, non-departmental under-spends of **£10.629m** and exceptional items of **£8.219m**. These exceptional costs relate to additional costs associated with UASC. Without these exceptional items the forecast underspend would be **£5.848m**, as shown in Table 1 below.

Table 1 – Summary of forecast revenue outturn position at Quarter 3

Department	Quarter 3 Forecast Variance £'000s	Quarter 2 Forecast Variance £'000s
Children, Families and Education	875	1,114
Health, Wellbeing and Adults	9,891	9,122
Place	(2,500)	0
Gateway, Strategy and Engagement	964	224
Resources	(4,449)	0
Departmental Overspend	4,781	10,460
Corporate Items	(10,629)	(8,603)
Sub Total - Before Exceptional Items	(5,848)	1,857
Exceptional Items - Unaccompanied Asylum Seekers (UASC)	8,219	8,550
Total Projected Overspend	2,371	10,407

2.5 Details of the work being undertaken to manage the overspend is shown below in Paragraphs 2.6 to 2.11. In terms of dealing with any in-year overspend, the £5.4m contribution to reserves identified in paragraph 2.2 could be reduced, indeed it could be reduced to zero should it be required. Any remaining shortfall would have to be drawn out of either earmarked reserves or general balances. It should be noted that, over the last five years, and despite all the huge pressures that Croydon Council has faced notably for the reasons detailed in Section 2.3, the level of general fund has been maintained at £10.4m and the earmarked reserves have been used for the purposes they were set up for.

2.6 Based on the significant demand pressures and challenges that still continue to impact the council work is underway to look at how these pressures can be reduced, these include:

- Continued lobbying of government to fund Croydon adequately for services provided including High Needs DSG and UASC costs.
- Review of Adult Social Care to ensure services are delivered efficiently and effectively
- Review of all high cost placements – adults and children's social care
- Review of fees and charges.
- Review of capitalisation and use of transformation funds.

- Review of SEN travel provision.
 - Establishment of a High Needs Cost Panel to review all out of borough placements and bringing them in house
 - Optimisation of use of in-house foster carers and in sourcing of our fostering recruitment from Coram to provide more and higher quality local placements
 - Implementation of the High Needs strategy which sets out a five year plan to address the current overspend and supports delivery of improvements and planning for resources to meet identified needs
 - Review of service provision for Appeal Rights Exhausted individuals and families.
 - Review of services provided by external contractors.
 - Increased controls on recruitment and agency staff.
 - Review of agency staff in all departments
- 2.7 In addition to the items above, a series of in-year budget ‘sprint’ sessions have taken place to review all current expenditure on a department by department basis, focused on further reducing expenditure.
- 2.8 The Council is continuing to make a concerted drive for fairer funding for Croydon. Discussions continue with the Home Office to increase our funding for UASC. The recent UASC Funding Review did not result in any uplift in the tariff rates which Croydon can claim for supporting UASC, whereas all other local authorities did receive an uplift.
- 2.9 Where appropriate the council will seek to recover funds from the Clinical Commissioning Group (CCG) for all placements with a health need and rebalancing the impact of the One Croydon Alliance for health and social care partners. £2m of funding has been assumed within the position set out in this report.
- 2.10 Details of major variances are provided in Table 2 in Section 3 of this report, with further information about all projected outturn variances in Appendix 1 to this report.
- 2.11 The Council is continuing with its planned insourcing programme, with large parts of SEN transport, Special Sheltered Housing and School Improvement and Education Psychology delivered by Octavo Partnership all being insourced. Insourcing of vital services ensures better control and outcomes for some of our most vulnerable residents. It ensures we are better placed to focus on improving outcomes with the resident at the forefront of the delivery model whilst also ensuring that staff are paid the London Living Wage and benefit from Council terms and conditions.

3. GENERAL FUND 2019/20 REVENUE SUMMARY

- 3.1 The projected outturn position at the third quarter of 2019/20 is showing the effect of anticipated saving and recovery plans that are being implemented.
- 3.2 The 2019/20 budget was set with the inclusion of growth to help manage previously identified pressures and ambitious savings targets. Despite this growth there continues to be increasing demand for the services in relation to adult and children’s social care.

Table 2 – 2019/20 significant forecast variances

	Major Variances over £500k	Quarter 3 £'000	Quarter 2 £'000	2018/19 Outturn £'000
CHILDREN, FAMILIES & EDUCATION				
Social Care with Children Looked After	Increase in the number of external placements	1,852	1,852	0
	Dedicated Schools Grant expenditure	(513)	0	0
	Children, Families and Education Variances below £500k	(464)	(738)	9,532
CHILDREN, FAMILIES AND EDUCATION TOTAL		875	1,114	9,532

HEALTH, WELLBEING AND ADULTS				
25-65 Disability Service	Residential Care - increase in client numbers and increase in placement costs.	1,175	944	2,848
	Domiciliary Care - increased client numbers and increased supported living costs	1,411	2,144	0
Over 65s	Nursing Care - increase in client numbers and increase in placement costs.	3,454	2,712	2,790
	Domiciliary Care - continued increase in clients and hours provided.	2,836	2,889	0
	Residential care - primarily due to increase in client numbers and weekly costs	1,034	503	624
	Increase in the number of clients receiving Direct Payments	821	519	0
Transformation and Clienting	Use of transformation funding to fund ADAPT programme	(1,400)	(1,000)	(1,529)
	Variances below £500k	560	361	2,926
HEALTH, WELLBEING AND ADULTS TOTAL		9,891	9,122	1,731

PLACE				
Public Realm	SEN Transport pressure due to increased placements	2,874	1,700	2,090
	Parking revenue due to increase in non-compliance	(2,630)	(2,655)	(3,700)
	Highway costs recharged to capital	(3,209)	(566)	(580)
	Waste disposal costs due to increased volumes	1,070	1,146	(1,205)
Planning	Development control income	(536)	(438)	(186)
	Variances below £500k	(69)	813	(5,410)
PLACE TOTAL		(2,500)	0	(5,410)

GATEWAY, STRATEGY AND ENGAGEMENT				
Enablement and Welfare	No Recourse to Public Funds savings based on current demand levies	(501)	(508)	(278)
Gateway Improvement	Potential non-delivery of savings relating to Children and Adult Social Care, partly offset by some service savings	2,024	2,088	0
	Residents and Gateway Services Variances below £500k	(559)	(1,276)	254
GATEWAY, STRATEGY AND ENGAGEMENT TOTAL		964	224	(24)

RESOURCES				
Facilities Management & Support Services	Expenditure identified within the revenue budget that can be capitalised	(900)	0	0
Finance, Investment and Risk	No variances over £500k. The previous financial year related to an overspend on Housing Benefits.	0	0	1,510
Croydon Digital Services	Additional recharging to other funds	(1,751)	0	(561)
	Variances below £500k	(1,798)	0	220
RESOURCES TOTAL		(4,449)	0	1,169
TOTAL DEPARTMENT OVERSPEND				
		4,781	10,460	6,998
CORPORATE ITEMS				
	Use of contingency budget	(2,000)	(2,000)	(2,000)
	Net interest earned	(4,100)	(1,724)	(1,873)
	Agency staffing savings – now captured in departments	0	(1,000)	0
	Transformation funding	(2,000)	(2,000)	0
	S106/ CIL/ Growth Zone funding	(1,000)	(1,000)	0
	Capitalisation	(2,000)	(2,000)	0
	Corporate items - Variances below £500k	471	1,440	(2,780)
CORPORATE ITEMS TOTAL		(10,629)	(8,603)	(6,653)
SUB TOTAL BEFORE EXCEPTIONAL ITEMS				
		(5,848)	1,857	345
Exceptional Items	Unaccompanied Asylum Seekers Grant lower than associated costs (UASC)	7,566	7,897	3,071
	No Recourse to Public Funds costs for UASC	653	653	2,050
Exceptional Items Total		8,219	8,550	5,121
TOTAL VARIANCE		2,371	10,407	5,466

3.3 The main areas of pressure are similar to last year and continue to be within Health, Wellbeing and Adults as well as Children, Families and Education. These are also the areas that local authorities across the country are grappling with and are typically showing much larger percentage overspends.

- 3.4 As a result of the Ofsted inspection in the summer of 2017 £10.784m was added to the budgets for Children's Services in 2018/19, and a further £12.0m added in 2019/20 to cover costs associated with additional placements, additional staff resources for social work and legal costs. This is in addition to the transformation funding of £20m. The budget for 2020/21 also makes provision for further revenue growth.
- 3.5 Children's Services is still continuing to experience pressures due to the number of cases that are being dealt with but also as a result of the transition whilst the new teams are being put into place and recruitment to roles continues. Funding for transformation will continue to be utilised where appropriate to fund Children's Services.
- 3.6 The exceptional item reported at quarter 3 continues to relate to UASC which the Council is continuing to lobby the government to fund adequately. The UASC pressure continues to be as a result of the Home Office only funding a fixed rate per child, which does not accurately reflect our direct and indirect costs for looking after those children, nor the costs of acting as a 'gateway' authority. The number has decreased slightly from that reported at quarter two due to a decrease in number of children requiring support. Options to reduce this funding gap through the reduction of costs and maximising Home Office income are still continuing to be explored. A further meeting took place with Home Office officials and other gateway authorities at the end of November with a commitment from them to review funding for Croydon and to reconvene in the New Year.
- 3.7 The Home Office had previously said that they are committed to reviewing funding rates and in May 2019, they announced an additional £30m of funding nationally. This announcement increased the rates paid to all Upper Tier and Unitary Local Authorities to £114 per UASC per night. Croydon was already in receipt of this rate and, as such, received no increase. Representations continue to be made to central government, making a case for the extraordinary circumstances experienced in Croydon of supporting a large cohort of UASC and former UASC care leavers.
- 3.8 The Improved Better Care Funding (IBCF) is for a three year period and was allocated in two tranches. Tranche 1 was allocated in spending review 2015 and formed part of adult social care core funding to mitigate the reduction in core grant funding. This allocation was built in to base budgets and enabled protection from cuts. Tranche 2 was allocated in the spring 2017 budget. This money will be spent across the health and social care sector to ensure the criteria of the funding of Meeting Adult Social Care Needs, Supporting Hospital Discharge and Stabilising the Social Care provider Market are met.
- 3.9 The Local Government Association has launched a nationwide consultation to start a desperately-needed debate on how to pay for adult social care and rescue the services caring for older and disabled people from collapse.
- 3.10 Years of significant underfunding of councils, coupled with rising demand and costs for care and support, have combined to push adult social care services to breaking point.
- 3.11 Since 2010 councils have had to bridge a £6 billion funding shortfall just to keep the adult social care system going. In addition the LGA estimates that adult social care services face a £3.6 billion funding gap by 2025, just to maintain existing standards of care, while latest figures show that councils in England receive 1.8 million new requests for adult social care a year – the equivalent of nearly 5,000 a day.
- 3.12 Decades of failures to find a sustainable solution to how to pay for adult social care for the long-term, and the Government's recent decision to delay its long-awaited green paper on the issue until the autumn, has prompted council leaders to take action.

- 3.13 Short-term cash injections have not prevented care providers reluctantly closing their operations or returning contracts to councils and less choice and availability to a rising number of people with care needs. This is increasing the strain on an already-overstretched workforce and unpaid carers, and leading to more people not having their care needs met.
- 3.14 Increased spending on adult social care – which now accounts for nearly 40 per cent of total council budgets – is threatening the future of other vital council services, such as parks, leisure centres and libraries, which help to keep people well and reducing the need for care and support and hospital treatment.
- 3.15 The LGA consultation sets out options for how the system could be improved and the radical measures that need to be considered given the scale of this funding crisis. Possible solutions to paying for adult social care in the long-term outlined in the consultation include:
- Increasing income tax for taxpayers of all ages: a 1p rise on the basic rate could raise £4.4 billion in 2024/25
 - Increasing national insurance: a 1p rise could raise £10.4 billion in 2024/25
 - A Social Care Premium – charging the over-40s and working pensioners an earmarked contribution (such as an addition to National Insurance or another mechanism). If it was assumed everyone over 40 was able to pay the same amount (not the case under National Insurance), raising £1 billion would mean a cost of £33.40 for each person aged 40+ in 2024/25.
 - Means testing universal benefits, such as winter fuel allowance and free TV licenses, could raise £1.9 billion in 2024/25
 - Allowing councils to increase council tax – a one per cent rise would generate £285 million in 2024/25
- 3.16 The consultation - the biggest launched by the LGA – is seeking the views of people and organisations from across society on how best to pay for care and support for adults of all ages and their unpaid carers, and aims to make the public a central part of the debate. The LGA will respond to the findings in the autumn to inform and influence the Government’s green paper and spending plans.
- 3.17 The LGA green paper – alongside funding issues – also seeks to start a much-needed debate about how to shift the overall emphasis of our care and health system so that it focuses far more on preventative, community-based personalised care, which helps maximise people’s health, wellbeing and independence and alleviates pressure on the NHS.
- 3.18 The number of children in care has increased by nearly a third in the last decade leaving the system under pressure, the Local Government Association has said. According to official data the number of children in care has reached a 10-year high – rising from 60,900 in 2009 to 78,150 in 2019.
- 3.19 The LGA has warned that the 28% increase has coincided with funding shortages putting councils under “immense pressure” to provide support for vulnerable children and young people. Councils in England have seen a 53% increase in children on child protection plans, up by 18,160 since 2009.
- 3.20 There has been a further 139% rise in serious cases where the local authority believes a child may be suffering, or likely to suffer, significant harm. The number of these cases rose from 84,100 to 201,170. The LGA urged the government to work with councils on its review of children’s social care and ensure the financial sustainability of the system.
- 3.21 Judith Blake, chair of the LGA’s children and young people board, said: “These figures show the sheer scale of the unprecedented demand pressures on children’s services and

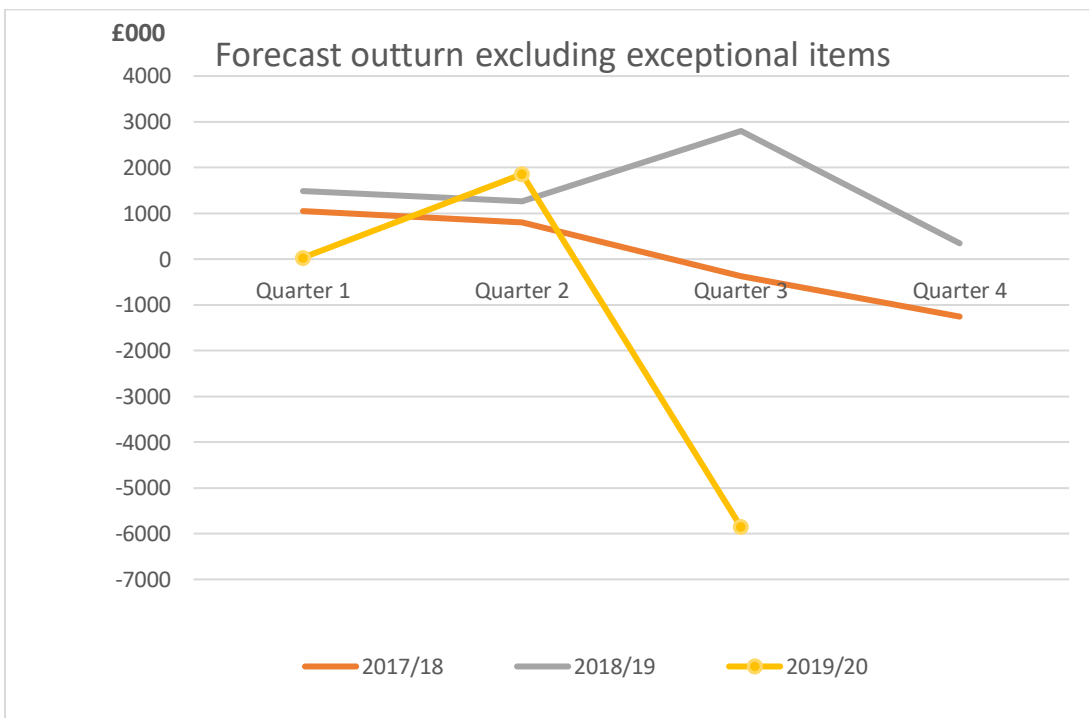
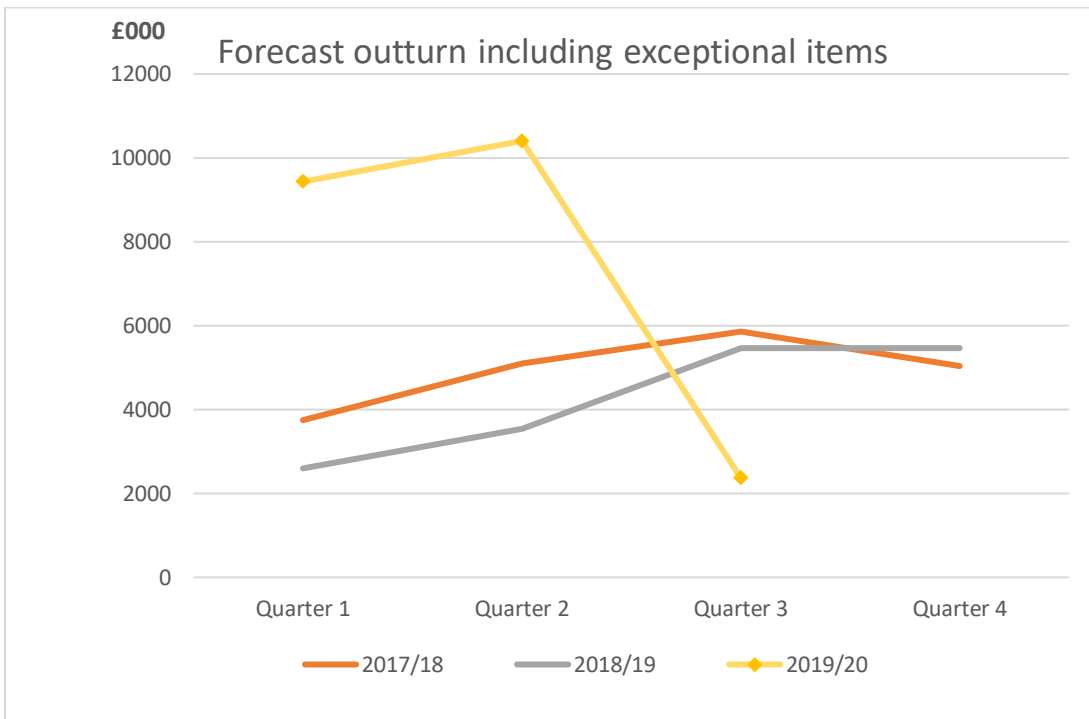
the care system this decade. "This is unsustainable. Councils need to be given a seat at the table for the care system review, alongside children, families and partners, to make sure this looks at what really matters and what can really make a difference."

- 3.22 The umbrella group noted that councils were forced to overspend on children's services by nearly £800m last year in order to provide for vulnerable children.
- 3.23 A government spokesperson said: "We know that too many children are waiting for the stable and loving home they deserve, which is why we are boosting the number of foster and adoptive parents and offering plenty of support to these families from the word go - including £45 million through the Adoption Support Fund, announced recently by the Education Secretary. "We are moving forward with a review of the system so that children receive the best possible care."
- 3.24 Last month chief executive of Children England Kathy Evans said that children's services were "close to collapse".
- 3.25 As detailed in this report we are continuing to experience rising demand and costs. This year to date, Children's Social Care residential assessments have increased by 33%, and the number of children with a Child Protection Plan has also increased by 66%, contributing towards the reported overspend. At quarter 3, the number of children in care decreased with 803 in placements at the end of December, which is a reduction of 30 children from the previous quarter. 41 children were in residential settings at the end of Q3 representing 5% of the CLA population with 51.1% (412 children) CLA in external placements of which 302 are in private independent foster care settings. This represents an increase of 3 children in external placements from the previous quarter.

4 GENERAL FUND REVENUE SUMMARY POSITION 2019/20

- 4.1 Graph 1 below shows the forecast variance for 2019/20 compared to previous years. The graphs show the position both inclusive of exceptional items, and excluding exception items (explained in paragraph 3.6 above). The Council continues to manage its finances through the rigorous monitoring and control of spending within the framework of the Financial Strategy.

Graph 1 – Forecast Variances



5 VIREMENTS OVER £500K REQUIRING CABINET APPROVAL

5.1 There are no virements requiring approval.

6. HRA (HOUSING REVENUE ACCOUNT)

6.1 The current forecast for the HRA is for an estimated overspend of £1.519m. The key variances being reported in at Quarter 3 are summarised Table 3 below:

Table 3 – 2019/20 Main variances within the HRA

Department	Major Variances	Quarter 3 £'000	Quarter 2 £'000
HRA – DISTRICT CENTRES AND REGENERATION	Underspends on staff costs	(215)	(46)
HRA – HOUSING NEED	Forecast pressure on under recovery of rental income from garage and commercial property, staffing and support costs. This was offset in quarter 2 by the anticipated release of a provision, but this release is not now expected to take place in this financial year, therefore resulting in an increase in the forecast outturn position.	1,734	0
TOTAL HRA PROJECTED VARIANCE		1,519	(46)

- 6.2 Longer term budget planning for the HRA is continuing to take place and includes reviewing the impact of the Housing and Planning Act 2016 to understand the likely impact pending the outcome of recent government consultations on use of retained Right to Buy capital receipts. In addition, to build a sustainable budget for revenue and capital spend within the HRA.
- 6.3 As previously reported to this Cabinet, Croydon Affordable Homes LLP is responsible for managing a number of affordable rented properties working alongside Brick by Brick Limited and The Hub to deliver these additional properties in 2019. Recently, 27 Brick by Brick new build properties have been transferred into the HRA, funded partly by grant from the GLA. These properties are in addition to the street properties that were purchased under the ETA (Emergency Temporary Accommodation) programme. These street properties have transferred to two LLPs: 96 properties into one and 250 into the other, taking the total properties to 346. These properties are all being managed alongside the existing HRA property portfolio.
- 6.4 Ongoing fire safety works are continuing and will continue to be funded from the HRA as a result of the government failing to provide funding for these essential works. Currently for 2019/20 the investment is £10m for the Fire Safety programme and £1.5m for larger homes.

7. FORECAST CAPITAL OUTTURN POSITION

- 7.1 The high level Capital programme for 2019/20 is shown in Table 4 below, full details of all projects are shown in Appendix 2. A forecast under spend of £159m is projected for 2019/20.

Table 4 – 2019/20 Capital Programme

Original 2019/20 Budget £'000s	Department	Carry forward from 2018/19 £'000s	Re-profiling / Increases in Schemes £'000s	Revised Budget 2019/20 £'000s	Actuals April - Dec 2019 £'000s	Forecast Outturn £'000s	Forecast Variance £'000s
0	HEALTH, WELLBEING AND ADULTS	334	1,500	1,834	17	1,834	(0)
35,638	CHILDREN, FAMILIES AND EDUCATION	14,022	(17,023)	32,637	13,319	31,136	(1,501)
77,790	PLACE	34,410	19,421	131,621	46,234	97,635	(33,986)
9,673	GATEWAY, STRATEGY & ENGAGEMENT	29,571	3,245	42,489	9,997	31,032	(11,457)
60,373	RESOURCES	14,264	102,658	177,295	15,703	74,853	(102,442)
183,474	GENERAL FUND TOTAL	92,601	109,801	385,876	85,270	236,490	(149,386)
38,451	HOUSING REVENUE ACCOUNT	7,042	0	52,243	18,979	42,205	(10,038)
221,925	CAPITAL PROGRAMME TOTAL	99,643	109,801	438,119	104,249	278,695	(159,424)

7.2 The main reported variances on projects within the Council's capital programme are as follows:

7.2.1 **Park Life** (£12m) – This scheme is currently delayed, pending a review by the funding body.

7.2.2 **Affordable Housing** (£8m) – This under-spend is a result of savings on the anticipated purchase cost of the property acquisition programme

7.2.3 **Fiveways junction** (£3m) – This underspend is due to Transport for London delaying the start of these works.

7.2.4 **Asset Investment Fund** (£97m) – The investment planned earlier in the year is not taking place now. Work is underway to identify other opportunities.

7.2.5 **Fire Safety Programme** (£7m) slippage - Fire safety works are progressing, with more capital works to be carried out in response to any future recommendations in addition to the £4.2m of works undertaken in 2018/19. There has been some slippage as a result of contractor delays, which are being managed.

7.3 The capital programme continues to be funded from a number of different funding streams and makes use of capital receipts to support the delivery of the financial strategy. Table 5 below details the funding for the original 2019/20 budget, the revised programme and the forecast outturn.

Table 5 – Sources of capital funding

Funding	Original 2019/20 budget	Revised 2019/20 budget	Forecast 2019/20 Outturn
	£000s	£000s	£000s
Capital receipts	2,500	0	0
Education & Skills Funding Agency	10,000	10,000	10,000
School Condition Funding (Education)	2,000	2,000	2,000
Basic Needs (Education)	6,833	6,833	6,833
EFA Invest to Save (Education)	969	969	969
Transport for London funding	2,462	4,129	4,129
Community Infrastructure Levy (CIL)	6,800	6,800	7,200
CIL local meaningful proportion	576	1,272	770
Disabled Facilities Grants	2,400	4,379	1,900
Borrowing	49,570	101,172	86,600
Borrowing - (Revolving Investment Fund payments)	37,273	76,709	60,360
Borrowing - Asset Acquisition Fund	45,000	150,893	46,638
Borrowing - Growth Zone	8,000	9,782	8,000
Section 106 receipts	1,800	3,647	1,091
Football foundation	7,291	7,291	-
GENERAL FUND	183,474	385,876	236,490
HRA - Borrowing	7,677	18,769	7,097
HRA - Revenue Contribution	10,000	10,000	11,634
HRA - Use Of Capital Receipts	20,774	20,774	20,774
HRA - GLA Funding for new build properties		2,700	2,700
HRA FUNDING	38,451	52,243	42,205
TOTAL FUNDING	221,925	438,119	278,695

- 7.4 The majority of the general fund borrowing detailed excluding that specifically identified for the Revolving Investment Fund and items in table 6 is to fund the education programme due to the inadequate level of funding received from Government and the essential need to provide school places in the borough.
- 7.5 The revised budget has been updated to include new in year schemes. Details of these schemes can be found in Table 6 below, in the section “Quarter 3 adjustments”. Cabinet is asked to recommend to Full Council a £1.207m reduction to the Capital programme.

Table 6 – Additions to the Capital Programme

Additions to the Capital Programme	£000s	2019/20 £000s
2019/20 Original Budget		221,925
2018/19 Carry Forward		99,643
Adjustments at July Review (GPAC July 2019):		
CALAT - Creative Campus / University for Croydon	660	
Timebridge Community Centre (Fieldway Cluster)	1,168	
Crosfield CES	454	
Sub-total of changes in July Review		2,282
New adjustments at Quarter 1		
New Addington Leisure Centre – late slippage from 2018-19 not previously reported	12,230	
TfL LIP – additional funding has now been confirmed by TfL London	1,667	
Finance and HR system – further works identified to optimise performance	245	
Asset Acquisition fund	100,000	
Early Help Centres	200	
Section 106 expenditure - funding for West Thornton withdrawn	(650)	
Walking and Cycling strategy – profiled down to match planned activity	(626)	
Play equipment – this activity will be funded by Section 106	(250)	
Sub-total Quarter 1 adjustments		112,816
HRA - purchase of new build properties	6,750	
Purchase of key worker housing	3,245	
New Addington Leisure Centre - adjust budget to reflect that the 8 housing units won't be sold, and therefore a capital receipt won't be received	2,500	
Assets - Stubbs Mead depot works	1,659	
Early Help Hubs	150	
Sheltered Housing	1,500	
Re-profile Education Estates Budget	(13,822)	
Newly approved s106 funding Q2	378	
Demolition of Buffer Bear site (Corporate Property Programme)	100	
Corporate property – late slippage from 2018-19 not previously reported	200	
Sub-total Quarter 2 adjustments		2,660
Use any underspend on the Affordable Housing Programme to continue with street property acquisitions above the 250 originally authorised - no impact on the budget		
Re-profile Education Estates Budget	(3,551)	
New s106 Schemes	2,344	
Sub-total Quarter 3 adjustments		(1,207)
LBC CAPITAL PROGRAMME TOTAL		438,119

- 7.6 Full Council approved an increase in the Capital Programme in December, which included £3.2m for the purchase of Key Worker homes. The Executive Director for Place along with the Cabinet Member for Finance and Resources will report to Cabinet in March setting out more detail on this proposal, which forms part of the broader Housing Strategy.
- 7.7 As reported in the Council Tax report, the Executive Member for Place and the Cabinet Member for Finance and Resources will seek approval from Cabinet in March for the next phase of the Affordable Homes strategy. In order to begin the next phase, it is proposed to ask Cabinet to recommend to Full Council that it approve the use of any remaining under-spend against the existing Affordable Homes budget to begin a series of new property acquisitions. The report to Cabinet in March will set out the full proposal for the next round of street property acquisitions, linking to the broader Housing Strategy.

8. FINANCIAL MANAGEMENT

- 8.1 Council Tax and Business Rates are two key income streams for the Council. Collection rates for the current year are show in Table 8 below:

Table 8 - Council Tax and Business Rates collection

	Target collection – year to date %	Actual collection – year to date %	Variance to target – year to date %	Variance to last year at Q3 %
Council Tax	81.17	81.09	(0.08)	(0.11)
Business Rates	82.98	82.03	(0.95)	(1.05)

Council Tax

- 8.2 At the end of quarter 3 Council Tax collection is under target by 0.08%. The Council carried out a Single Persons Discount review this year, which was completed in Q3 and resulted in the collectable amount increasing. A review was not carried out in 2018/19. In December the base increased by £229.5k compared to a reduction last year of £28.6k which affected the collection compared to the same quarter last year.

Business Rates

- 8.3 At the end of quarter 3 Business Rates collection is 0.95% below the target. A proportion of larger businesses were due to pay their instalment in December. However, these payments were not received until January 2020 and accounts for a 0.25% reduction in collection for quarter 3. These will be collected in quarter 4. The target for the current year is 99.25%.
- 8.4 Collection is also affected by the Company Voluntary Arrangement granted to a large store in the town centre which has resulted in a significant reduction in the amount of business rates being paid (agreement was to pay 0.48% of all business rates owed across the country), and accounts for a 0.28% reduction in collection. Forecasting shows that we are still expecting to hit our collection target of 99.25%.

9. CONSULTATION

- 9.1 All departments have been consulted during the preparation of this report.

10. PRE-DECISION SCRUTINY

- 10.1 This financial performance report has not been presented to scrutiny and overview committee in this format. The report identifies a number of key areas that have and are continuing to result in the huge financial pressure that we are facing. Scrutiny and Overview committee received a report in September 2019 (Min Ref 27/19) with a further budget report to be presented in February 2020.

11. FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

- 11.1 This report sets out the current financial position of the Council, and actions being taken to address the projected overspend.

The report is submitted by Lisa Taylor – Director of Finance Investment & Risk and Section 151 officer

12. LEGAL CONSIDERATIONS

- 12.1 The Head of Law and Litigation on behalf of the Director of Law and Governance comments that the Council is under a duty to ensure that it maintains a balanced budget and to take any remedial action as required in year.
- 12.2 The Local Government Act 1972 Section 151 states that each local authority has a statutory duty to make arrangements for the proper administration of their financial affairs. In addition, the Accounts and Audit Regulations 2015 impose an explicit duty on the Council to ensure that financial management is adequate and effective and that they have a sound system of internal control, including arrangements for the management of risk.
- 12.3 “Proper administration” in the context of Section 151 referenced above is not statutorily defined; however, there is guidance, issued by CIPFA on the responsibilities of the Chief Finance Officer (CFO). This states that local authorities have a corporate responsibility to operate within available resources and the CFO should support the effective governance of the authority through development of corporate governance arrangements, risk management and reporting framework. Regular monitoring of the Council’s actual expenditure to budget and forecasting of the expenditure for the full year is part of the proper administration and governance of the Council.
- 12.4 Part 4 of the Constitution Budget and Policy Framework provides in paragraph 4 (a) that any decision, on the advice of the CFO, which is contrary to or not wholly in line with the budget approved by Full Council may only be taken by the Council, save in cases of urgency.

Approved by: Sandra Herbert Head of Litigation and Corporate Law on behalf of the Director of Law and Governance and Deputy Monitoring Officer.

13. HUMAN RESOURCES IMPACT

- 13.1 The items from the in-year budget management may have an impact on workforce planning. These can vary from posts not being re-filled or deleted through restructures proposals leading to possible redundancies. Where that is the case, the Council’s existing policies and procedures must be observed and HR advice must be sought.

13.2 HR will continue to work closely with service areas on any in year proposals for savings or service redesign that affect the workforce. All proposals will be managed within the council HR procedures and policies and be subject to formal consultation with the trades unions.

Approved by: Sue Moorman, Director of Human Resources

14. EQUALITIES IMPACT

14.1 The key service areas that currently have over spend in budgets are Children's Social Care and Adults Social Care. These are areas that provide services to customers from equality groups that share protected characteristics; such as younger people (Looked after Children), people with a disability (Children with special educational needs), older people and BME groups. There are a number of known equality and inclusion issues in the above mentioned service areas such as an over-representation of BME young people in looked after children, over-representation of BME groups and other vulnerable groups, young children with a disability who have a special educational needs and their carers, vulnerable older people with complex needs etc. The mitigating actions, on these specific services are unlikely to affect these groups more than the population as a whole. In fact, a number of those will affect these groups less.

14.2 In addition, there are policy changes made by Government that will impact on the in-year budget, in particular the delay in the implementation of the Immigration Act. The Council will work to ensure key services to Croydon residents are protected wherever possible. However, it is likely that some of the areas affected will be a reduction in Home Office funding for UASC, Youth Justice Board grant and changes to the Welfare and Housing Bill. There is a likelihood that these cuts will have a more significant adverse impact on some groups that share a protected characteristic such as age, race and disability. Changes to the Welfare and Housing Bill are also likely to have an adverse negative impact on the more vulnerable customers.

14.3 In order to ensure that our vulnerable customers that share a "protected characteristic" are not disproportionately affected by the actions proposed to reduce in year budget over spend we will ensure that the delivery of the cost reduction initiatives are informed by a robust equality analysis of the likely detrimental impact it could have on all services users and in particular those that share a "protected characteristic".

14.4 If the equality analysis suggests that the cost reductions initiatives are likely to disproportionately impact on particular group of customers, appropriate mitigating actions will be considered. This will enable the Council to ensure that it delivers the following objectives that are set out in our Equality and Inclusion Policy:

- To increase the rate of employment for disabled people, young people, over 50s and lone parents who are furthest away from the job market
- To increase the support offered to people who find themselves in a position where they are accepted as homeless especially those from BME backgrounds and women
- To reduce the rate of child poverty especially in the six most deprived wards
- To improve attainment levels for white working class and Black Caribbean heritages, those in receipt of Free School Meals and Looked After Children, particularly at Key Stage 2 including those living in six most deprived wards
- To increase the percentage of domestic violence sanctions
- To increase the reporting and detection of the child sexual offences monitored
- To reduce the number of young people who enter the youth justice system
- To reduce social isolation among disabled people and older people

- To improve the proportion of people from different backgrounds who get on well together
- To reduce differences in life expectancy between communities

15. ENVIRONMENTAL IMPACT

15.1 There are no direct implications contained in this report.

16. CRIME AND DISORDER REDUCTION IMPACT

17.1 There are no direct implications contained in this report.

18. DATA PROTECTION IMPLICATIONS

18.1 This report and its recommendations does not involve the processing of personal data

19. REASONS FOR RECOMMENDATION /PROPOSED DECISION

19.1 Given the current in year-position Executive Leadership Team have been tasked to identify options to achieve a balanced year-end position.

20. OPTIONS CONSIDERED AND REJECTED

20.1 Given the current in year-position Executive Leadership Team have been tasked to identify options to achieve a balanced year-end position. The alternative would be to over-spend and draw down on balances, which would not be prudent.

CONTACT OFFICER: Lisa Taylor – Director of Finance, Investment & Risk and Section 151 Officer.
Tel number 020 8726 6000 ext. 61438

BACKGROUND PAPERS: None

APPENDICES: Appendix 1 – Revenue Variations over £100k with explanation
Appendix 2 – 2019/20 Q3 Capital Outturn Forecast

REVENUE VARIATIONS OVER £100K WITH EXPLANATION**CHILDREN, FAMILIES AND EDUCATION**

Division	Explanation of variance	Qtr 3 Amount (£000)	Qtr 2 Amount (£000)
Quality Assurance and Safeguarding	Other Minor Variances < £100k	55	45
Early Help and CSC Directorate	Reduction in care proceedings	(700)	(700)
	Increase in staffing	137	0
	Other Minor Variances < £100k	67	44
Social Work with Families	Reduction in assessments	(312)	0
	Reduction in staffing and agency	(224)	0
	Other Minor Variances < £100k	82	29
Social Work with Children Looked After and Care Leavers	Increase in the number of external placements	1,852	1,852
	Other Minor Variances < £100k	346	0
SPOC and Assessments	Increases in staffing	243	0
	Other Minor Variances < £100k	56	36
0-25 CWD and Transitions Service	Alignment of early intervention	101	379
	Other Minor Variances > £100k	0	0
Early Help and Youth Engagement	Staff vacancies across the service	(125)	(115)
	Other Minor Variances < £100k	0	0
Adolescent Services	Staff vacancies across the service	(180)	(213)
	Other Minor Variances < £100k	0	(91)
Education	Other Minor Variances < £100k	(513)	(152)
Directorate	Other Minor Variances < £100k	(10)	0
Total Forecast Variance – CHILDREN, FAMILIES AND EDUCATION		875	1,114

HEALTH, WELLBEING AND ADULTS

Division	Explanation of variance	Qtr 3 Amount (£000)	Qtr 2 Amount (£000)
25-65 Disability Service	Residential Care Placements - increase in client numbers and increase in placement costs.	1,175	944
	Domiciliary Care - increased client numbers and increased supported living costs	2,012	2,144
	Direct Payments - increase in client numbers and average cost of care	821	113
	Cost of transitions due to Children with Disabilities	1,176	0
	Other Minor Variances < £100k	64	313
Mental Health	An increase client numbers and increase in placement costs is now not forecast to exceed the budget	0	241
	Increase in the volume of direct payments	736	0
	A forecast overspend on staffing due to agency staff covering vacancies has been reduced between quarters 2 and 3	0	100
	Other Minor Variances < £100k	(28)	53
Over 65 Commissioning	Contract Costs – Payments to Voluntary organisation higher than anticipated	104	20
	Contract cost on Fellows court , including A&E Liaison	333	330
	Care UK PFI Care homes contract	0	(10)
	Additional Income from residential homes	(289)	(292)
	Relates to additional care costs across Extra Care Housing provision, which is mitigated by additional income.	325	346
	Other Minor Variances < £100k	(114)	(96)
Over 65 providers	Nursing Care - increase in client numbers and increase in placement costs	3,454	2,712
	Domiciliary Care associated with continued increase in clients and hours provided.	2,836	2,889
	Residential Care - increases in average weekly costs	1,034	503
	Direct Payments	821	519
	Vacant staff posts in Localities	(404)	0
	Use of transformation for LIFE / Reablement	(2,000)	0
	Vacant posts in occupational therapy	(175)	0
	Vacant posts in House Day Care services	(119)	0
	Other Minor Variances < £100k	(862)	(902)
Day and Employment Services	Other Minor Variances < £100k	381	143
Disability Commissioning and Brokerage	Other Minor Variances < £100k	10	0
Transformation and Clienting	Use of transformation funding to fund ADAPT programme	(1,400)	(1,000)
	Other Minor Variances < £100k	0	50
Total Forecast Variance – HEALTH, WELLBEING AND ADULTS		9,891	9,122

PLACE DEPARTMENT

Division	Explanation of variance	Qtr 3 Amount £'000	Qtr 2 Amount £'000
SEN transport	SEN transport pressure due to increased number of placements	2,874	1,700
Parking Services	Parking revenue due to non-compliance	(2,630)	(2,655)
Highways	Highway costs charged to capital	(3,209)	(566)
Waste	Waste disposal due to increase in volumes	1,070	1,146
Development Control	Development control income through additional planning applications	(536)	(438)
Leisure	Dilapidations and contract amendments offset by staff savings	269	302
Directorate	Legal costs underspend	(230)	0
Other	Other minor variances <£100k	(108)	511
Total Forecast Variance – PLACE DEPARTMENT		(2,500)	0

GATWAY, STRATEGY & ENGAGEMENT DEPARTMENT

Division	Explanation of variance	Qtr 3 Amount £'000	Qtr 2 Amount £'000
Gateway Services:			
	No Recourse to Public Funds (NRPF) care and support. Anticipated reduction in caseloads and delay in staff recruitment. The team no longer have the support of an embedded Home Office worker.	(501)	(508)
	Staffing vacancies	(261)	(227)
	Non-delivery of savings relating to Children and Adult Social Care	1,992	2,008
Housing Assessment and Solutions			
	CroyLease - Primarily costs of repairs at end of lease	226	213
	Emergency Accommodation - numbers expected to fall to result in an underspend on nightly paid accommodation	(413)	(200)
	Guaranteed Rent Scheme - Overall underspend as costs are covered by grant income and recharge to Children's Services for care leaver costs	(195)	(275)
	Private Licencing Agreement scheme - based on 503 units with an additional 7 units per month	418	244
	Extended TA scheme (ETA) under recovery of income due to the property acquisitions forecast to transfer to Croydon Affordable Tenures (CAT)	564	413
	Other Minor variances < £100k	(866)	(1,348)
Total Forecast Variance – GATEWAY, STRATEGY AND ENGAGEMENT DEPARTMENT		964	224

RESOURCES DEPARTMENT

Division	Explanation of variance	Qtr 3 Amount £'000	Qtr 2 Amount £'000
Commissioning & Procurement	Underspends on staffing	(134)	0
	Other variances < £100k	(500)	0
Facilities Management and Support Services	Unachievable income target in relation to scanning income, plus utility cost pressures	196	380
	Shortfall in rental income offset by Business rate refunds	(480)	(322)
	Expenditure with the revenue budget that can be capitalised	(900)	0
	Other Minor Variances < £100k	(9)	46
Croydon Digital Services	Additional recharging to other funds	(1,751)	
Finance, Investment and Risk	Shortfall identified in relation to bailiff fee income, court fee income and unachievable savings on former tenant arrears collection offset by staffing savings	0	100
	Over-spend on Coroners service due to high costs cases	150	0
	Insurance premiums and costs	91	(260)
	Treasury & Pensions - savings arising from vacancies	(9)	(115)
	Other Minor Variances < £100k	(204)	(71)
Law and Governance	Electoral Services – additional costs relating to recent elections	335	375
	Other Minor Variances < £100k	(346)	4
Human Resources	Underspend on staffing costs as a result of project funded work, and savings arising from the My Resources project.	(359)	(344)
	Other Minor Variances < £100k	(447)	28
Strategy & Partnerships	Other Minor Variances < £100k	(250)	0
Resources Directorate	Internal legal charges relating to the Resources department	144	144
	Other Minor Variances < £100k	24	35
Total Forecast Variance - RESOURCES		(4,449)	0

CORPORATE ITEMS

Division	Explanation of variance		Qtr 2 Amount £'000
Corporate Items	Use of contingency budget	(2,000)	(2,000)
	Net interest earned	(4,100)	(1,724)
	Agency Staff Savings – now in departmental position	0	(1,000)
	Transformation funding	(2,000)	(2,000)
	Allocate S106 and CIL Funding	(1,000)	(1,000)
	Capitalisation	(2,000)	(2,000)
	Other Minor Variances < £100k each	471	1,121
	Total Forecast Variance – Corporate	(10,629)	(8,603)
	Total Overspend before Exceptional Items	(5,848)	1,857

EXCEPTIONAL ITEMS

Division	Explanation of variance	Qtr. 3 Amount £'000	Qtr. 2 Amount £'000
	Unaccompanied Asylum Seekers costs greater than grant funding	7,566	7,897
	No Recourse to Public Funds costs for UASC	653	653
	Total Forecast Variance – Exceptional	8,219	8,550
	Total Overspend after Exceptional Items	2,371	10,407

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2019/20 Q3 Capital Outturn Forecast

Category	2019/20 Original Budget	2018/19 Carry forward	July Review Adjusts	Q1&2 In Year Budget Adjusts	Q3 In Year Budget Adjusts	2019/20 Revised Budget	2019/20 Q3 Actual	2019/20 Outturn Forecast	Forecast Variance
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Health, Wellbeing and Adults									
Adults ICT	0	334	0	0	0	334	17	334	0
Sheltered Housing	0	0	0	1,500	0	1,500	0	1,500	0
Health, Wellbeing and Adults Sub Total	0	334	0	1,500	0	1,834	17	1,834	0
Children, Families and Education									
Education - Fixed term expansion	900	1,380	0	(1,680)	(300)	300	63	300	0
Education - Major Maintenance and Fire Safety	3,000	2,644	0	(1,009)	0	4,635	1,248	3,753	(882)
Education - Miscellaneous	4,935	1,059	0	(2,228)	2,579	6,345	498	6,345	0
Education - Permanent Expansion	719	3,625	0	1,005	(3,593)	1,756	585	1,756	0
Education - Special Educational Needs	24,534	3,167	0	(8,360)	(1,792)	17,549	10,812	17,549	0
Education - SEN Centre of Excellence	1,550	1,750	0	(1,550)	(445)	1,305	0	1,305	0
Early Help Centre	0	0	0	350	0	350	79	94	(256)
Onside Youth Zone	0	397	0	0	0	397	34	34	(395)
Children, Families and Education Sub-Total	35,638	14,022	0	(13,672)	(3,551)	32,637	13,319	31,136	(1,501)
Place									
Allotments	341	12	0	0	0	353	15	353	0
Blackhorse Lane Bridge	0	2,824	0	0	0	2,824	1,815	1,815	(1,009)
Brick by Brick programme	30,000	14,419	0	0	0	44,419	17,661	41,750	(2,669)
Community Ward Budgets	576	696	0	0	0	1,272	249	770	(502)
CALAT	0	0	660	0	0	660	2	150	(510)

Appendix 2

Devolution initiatives	912	782	0	0	0	1,694	0	0	(1,694)
Empty Homes Grants	1,000	409	0	0	0	1,409	170	700	(709)
Fairfield Halls - Council	0	226	0	0	0	226	2,185	2,185	1,959
Feasibility Fund	330	218	0	0	0	548	106	548	0
Fieldway Cluster	1,413	3,298	1,168	0	0	5,879	625	3,589	(2,290)
Fiveways Junction	3,000	0	0	0	0	3,000	0	0	(3,000)
Growth Zone	8,000	1,782	0	0	0	9,782	1,924	5,000	(4,782)
Highways	5,000	0	0	0	0	5,000	2,800	5,000	0
Highways - flood water management	414	249	0	0	0	663	407	913	250
Highways - bridges and highways structures	223	200	0	0	0	423	213	423	0
Highways - Tree works	179	34	0	0	0	213	110	213	0
Measures to mitigate travellers in parks and open spaces	0	73	0	0	0	73	0	20	(53)
Leisure centres equipment upgrade	1,004	1,521	0	0	0	2,525	869	992	(1,533)
Libraries investment - general	2,000	162	0	0	0	2,162	1,327	2,968	806
Libraries investment - South Norwood library	0	539	0	14,730	0	539	17	39	(500)
New Addington Leisure Centre	5,796	334	0	0	0	20,860	17,912	20,860	0
New Addington wellbeing centre	0	162	0	0	0	162	133	162	0
New waste contract - vehicles	0	2,779	(2,779)	0	0	0	0	0	0
P&D Machine Replacement Programme	0	20	(20)	0	0	0	0	0	0
Parking	153	0	20	0	0	173	56	71	(102)
Park Life	12,151	0	0	(250)	0	12,151	0	130	(12,021)
Play Equipment	985	0	0	0	0	735	0	65	(670)
Public Realm	0	49	0	0	0	49	0	0	(49)
Safety - digital upgrade of CCTV	500	458	0	(272)	0	958	220	245	(713)
Section 106 Schemes	0	2,119	0	0	2,344	4,191	535	813	(3,378)

Appendix 2

Signage	0	25	0	0	0	25	0	25	0
South Norwood regeneration	0	500	0	0	0	500	322	539	39
Surrey Street Market	0	92	0	0	0	92	0	0	(92)
Thornton Heath Public Realm	0	0	0	1,667	0	0	165	165	165
TFL LIP	2,462	0	0	0	0	4,129	2,278	4,129	0
Unsuitable Housing Fund	0	157	0	(626)	0	157	0	157	0
Walking and cycling strategy	750	271	0	0	0	395	195	486	91
Waste and Recycling Investment	0	0	2,779	0	0	2,779	1,865	2,160	(619)
Waste and Recycling - Don't Mess with Croydon	601	0	0	0	0	601	138	200	(401)
Place Sub-Total	77,790	34,410	1,828	15,249	2,344	131,621	54,234	97,635	(33,986)
Gateway, Strategy & Engagement									
Affordable Housing Programmes	7,273	25,017	0	0	0	32,290	8,497	24,497	(7,793)
Purchase of key worker housing	0	0	0	3,245	0	3,245	0	3,245	0
Bereavement Services	0	2,575	0	0	0	2,575	221	752	(1,823)
Disabled Facilities Grants	2,400	1,979	0	0	0	4,379	676	1,900	(2,479)
Gateway, Strategy & Engagement	9,673	29,571	0	3,245	0	42,489	9,997	31,032	(11,457)
Resources									
Asset strategy - Cavendish House	0	100	0	(100)	0	0	0	0	0
Asset strategy - Stubbs Mead	0	1,796	0	1,659	1,659	3,455	93	120	(3,335)
Asset strategy - BWH	0	100	0	(100)	0	0	0	0	0
Asset strategy - Capita Davis House relocation	0	100	0	(100)	0	0	0	0	0
Asset strategy - Heathfield House	0	160	0	(160)	0	0	0	0	0
Asset Strategy Programme	0	0	0	460	0	460	165	300	(160)
Asset Acquisition Fund	45,000	5,893	0	100,000	0	150,893	21,019	53,638	(97,255)
Corporate Property Programme	2,000	0	0	300	0	2,300	1,107	2,637	337

Appendix 2

Crossfield (relocation of CES)	0	2,365	454	0	0	2,819	2,691	3,016	197
Emergency Generator (Data Centre)	0	1,200	0	0		1,200	0	0	(1,200)
Finance and HR system	412	444	0	245	0	1,101	2,585	3,837	2,736
ICT Refresh & Transformation	5,500	0	0	0	0	5,500	1,143	5,410	(90)
People ICT system	6,927	2,106	0	0	0	9,033	881	5,000	(4,033)
Uniform ICT Upgrade	534	0	0	0	0	534	19	895	361
Resources Sub-Total	60,373	14,264	454	102,204	0	177,295	29,703	74,853	(102,442)
GENERAL FUND TOTAL	183,474	92,601	2,282	108,726	(1,207)	385,876	107,270	236,490	(149,386)
HOUSING REVENUE ACCOUNT									
Asset management ICT database	0	434	0	0	0	434	107	200	(234)
Fire safety programme	10,000	761	0	0	0	10,761	3,878	3,878	(6,883)
Larger Homes	1,500	62	0	0	0	1,562	21	300	(1,262)
Purchase of new build homes	0	0	0	6,750	0	6,750	0	6,750	0
Major Repairs and Improvements Programme	26,771	5,114	0	0	0	31,885	14,697	30,226	(1,659)
Special Transfer Payments	180	671	0	0	0	851	276	851	0
HOUSING REVENUE ACCOUNT TOTAL	38,451	7,042	0	6,750	0	52,243	18,979	42,205	(10,038)
LBC CAPITAL PROGRAMME TOTAL	221,925	99,643	2,282	115,476	(1,207)	438,119	126,249	276,861	(159,424)

Agenda Item 8

REPORT TO:	Full Council 2nd March 2020
SUBJECT:	Final Report of the Governance Review Panel
LEAD OFFICER:	Jacqueline Harris Baker Executive Director of Resources and Council Monitoring Officer Dame Moira Gibb Independent Chair of the Governance Review Panel
CABINET MEMBER:	Councillor Tony Newman, Leader of the Council Councillor Hamida Ali, Cabinet Member for Safer Croydon & Communities Councillor Simon Hall, Cabinet Member for Finance & Resources
WARDS:	All
CORPORATE PRIORITY/POLICY CONTEXT/AMBITIOUS FOR CROYDON: The Labour Administration in its 2018 manifesto made a commitment to hold an independent review of the Council's governance structure bringing together best practice across the country and beyond to develop a model tailored to the needs and aspirations of Croydon residents. The main goal of the review was to assess if change to governance arrangements could enhance Councillor involvement, local democracy and community engagement. This is embodied in the Council's Corporate Plan 2018 to 22. The Council's capacity to work effectively and to deliver all aspects of its strategic framework is conditioned by its ability to take informed decisions with openness and inclusivity.	
FINANCIAL IMPACT: While the full costs of implementing the recommendations of the review are not yet possible to determine, additional budget allocation of up to £250k is proposed for the 2020/21 budget.	

1. RECOMMENDATIONS

Council is recommended to:

- (i) Note the report by the Governance Review Panel as detailed in Appendix 8.1 to this report;
- (ii) Agree the recommendations of the Panel contained within the Governance Review Panel report and also detailed in Appendix 8.2 to this report;
- (iii) Agree the establishment of the Member-led implementation working group as detailed in paragraphs 5 to 5.4 of this report;
- (iv) Agree terms of reference for that working group as detailed in Appendix 8.3 to this report; and
- (v) Note the timetable for implementation of the Panel's recommendations as detailed in paragraph 5.5 of this report.

2. EXECUTIVE SUMMARY

- 2.1 This report recommends that Council notes the final report of the Governance Review Panel and considers and agrees the Panel's recommendations, designed to improve the council's governance arrangements and to enhance local democracy and community engagement.
- 2.2. The report also recommends that Council establishes a Member-led implementation working group to oversee the delivery of the recommendations in the report, agrees the terms of reference for that group and notes the timeline for implementation.

3. BACKGROUND

- 3.1 At its meeting on 8 October 2018, the council agreed to establish a cross party governance review panel to assess and review the Council's governance arrangements.
- 3.2 The main terms of reference for the panel were to:
 - i) Hear the views of councillors and other stakeholders including, residents, community and voluntary groups, business, MPs and other participants in local democracy;
 - ii) Hear the views and seek advice from experts on participation in local democracy;
 - iii) Identify those aspects of the council's governance that works well and identify opportunities to enhance councillor and other stakeholder participation in the local democratic processes;
 - iv) Benchmark good practice from areas with higher levels of participation and consider how this can be delivered in Croydon;
 - v) Identify the cost and value for money implications of any recommendations that it makes
- 3.3 In October 2018, Dame Moira Gibb was appointed as Independent Chair, and the Panel has been undertaking its review since then. At its meeting on 15 July 2019 (Minute no. 50/19 refers), Council received the Panel's progress report

detailing its initial findings as well as planned activities and seeking to extend the completion date of the Panel's review.

- 3.4 At its meeting in July 2019, Council agreed to extend the completion date, to allow it to report its findings by December 2019. As a consequence of the 'snap' general election held on 12 December 2019, the submission of the Panel's final report has been delayed until this meeting of Council.

4. THE FINAL REPORT OF THE PANEL

- 4.1 The final report of the panel is attached at Appendix 8.1. The report details 11 recommendations across four themes. Those recommendation themes are:

- i) An open and engaging Council;
- ii) The right political and organisational culture;
- iii) The right Member support; and
- iv) Structures to support participation.

- 4.2 The recommendations made by the Panel have been based upon evidence heard and considered during a full programme of work over the past sixteen months, which is detailed in the supplementary evidence report to be published alongside the main report. Activity undertaken during the review has included:

- i) 18 meetings and workshops of the Panel;
- ii) Workshops with 50 councillors and a survey of serving and retired councillors;
- iii) A residents survey with over 1000 responses;
- iv) Consideration of 402 written contributions from residents and residents associations;
- v) Interviews and surveys of local MPs, LSP partners and senior council officers;
- vi) Expert witness sessions with other local authorities;
- vii) Reviewing best practice from across the sector; and
- viii) Receiving expert support from the Centre for Public Scrutiny and the LGA's Planning Advisory Service

- 4.3 Council is asked to consider the Panel's final report and to agree the recommendations contained in the Governance Review Panel report and also detailed in Appendix 8.2.

- 4.4 Overall, the eleven recommendations made by the panel are designed to:
- i) Give residents more opportunities to influence council decisions, earlier in the process;
 - ii) Put local communities at the heart of how council services are delivered;
 - iii) Give all councillors more opportunity to influence and shape decisions before they are taken;
 - iv) Make decision making more open and transparent;
 - v) Give more support to all councillors and greater recognition of their role as community leaders; and
 - vi) Improve the culture of decision making across the council.

- 4.5 An area of strong interest for Members will be the proposal to move to a hybrid model of Council decision making and the introduction of Cabinet Member Advisory Committees. This will result in a significant repositioning of decision making in Croydon that promotes greater resident participation and enshrines opportunities for all Members to be able to participate in decisions before they are taken.
- 4.6 Those changes have been reinforced by the Leader of the Council making a formal commitment to delegating his executive decision making powers to the Cabinet, either collectively or individually. While in practice the Leader rarely exercises those powers in isolation, this will now be a commitment formalised in the Leader's Scheme of Delegation.
- 4.7 The Panel's recommendations represent a substantial shift in the way the Council operates and will require a number of formal changes to the Constitution and schemes of delegation to ensure they accurately reflect the desired change.

5. ESTABLISHING A MEMBER LED IMPLEMENTATION WORKING GROUP

- 5.1 In considering the Panel's final recommendations, Members will note that they are a combination of short term measures, issue specific improvements and more ambitious longer term changes.
- 5.2 As both the timescales and costs associated with the implementation of the recommendations vary significantly, the Panel has recommended that a Member-led implementation working group, supported by officers, be established in the transition period of up to 2 years to drive and oversee the embedding of these recommendations in the Council's future governance arrangements.
- 5.3 The primary roles of such a working group would be:
 - i) To oversee the creation of a delivery programme in response to the governance review panel's recommendations;
 - ii) To ensure that recommendations are implemented in keeping with the spirit of the governance review
 - iii) To work with key officers and oversee any further engagement with Members
 - iv) To drive and oversee the timely delivery of the agreed improvements
 - v) To oversee effective internal and external communication and periodic updates to Council on the progress
 - vi) To make recommendations to Council on how to evaluate the effectiveness of the changes made as a result of implementing the Panel's recommendations.
- 5.4 The proposed terms of reference for the working group are attached in full at Appendix 8.3. Council is recommended to agree to establish the Implementation Working Group and these terms of reference.
- 5.5 The timeline for implementation of recommendations is as follows:

Key dates	Key milestones
2 nd March 2020	The Council approves the Governance Review Recommendations and establishes the implementation working group
Mar – May 2020	The Group works on options scoping and action planning that details how the Panel’s recommendations are proposed to be implemented, including necessary Constitutional amendments
In June 2020	The Council formally establishes the new Cabinet Member Advisory Committees (constitutional changes approved) and appointments are made to their Memberships Action plan is noted by the Council
June 2020 to June 2021	The Working Group oversees implementation and reports on progress Most recommendations requiring proposals scoping and one-off improvement / development delivered
By June 2023	All recommendations fully delivered and the Council to receive a report on improvement implementation including delivery against measures of success

6. CONSULTATION

- 6.1 In undertaking the review, the Panel has conducted engagements with Members, residents, other elected representatives and expert witnesses to help inform the work of the Panel. The Panel has further consulted all Members of the Council on its draft findings and recommendations prior to their publication.

7. FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

- 7.1 There are likely to be financial implications should the Council act upon the recommendations detailed in the panel’s report. These likely costs will include both one-off expenses associated with activities such as redrafting the Constitution and ongoing costs associated with activities such as operating additional decision making meetings.
- 7.2 Given the number and scale of the recommendations made by the Panel, it is likely that additional costs arising from their implementation will be profiled over at least two years. There is also an opportunity for some of the additional costs to be offset against savings made by ceasing existing activity that will no longer be required and / or refocusing existing resources, as the Panel’s recommendations are implemented.
- 7.3 While it is not currently possible to fully quantify the costs of implementing the Panel’s recommendations, an additional budget allocation of £250k has been identified for the 2020/21 budget. Full details of the financial implications of

implementing the recommendations will form part of the work of the implementation working group and will be considered as the group's proposals are brought forward for formal decision making.

(Approved by: Lisa Taylor Director of Finance, Investment and Risk and S151 Officer)

8. LEGAL CONSIDERATION

- 8.1 The Head of Litigation and Corporate Law comments on behalf of the Director of Law and Governance that there are a number of key pieces of legislation which have influenced the current governance arrangements operated by the Council.
- 8.2 The Local Government Act 2000 ('the 2000 Act') introduced a separation of powers into local government for all but the smallest local authorities with the aim of making council decision-making efficient, transparent and accountable. The 2000 Act required most local authorities to change governance arrangements from the committee system to an executive-cabinet model. The Council adopted the leader and cabinet model in May 2001.
- 8.3 In 2007 The Local Government and Public Involvement in Health Act ('the 2007 Act') restricted the governance options available to local authorities. The 2007 Act required the Council to introduce a choice of two models: a directly elected mayor or a new style 'strong' council leader model. The Council resolved to introduce the strong leader and cabinet model following the local election in May 2010.
- 8.4 The Localism Act 2011 ('the 2011 Act') increased the governance options for local authorities to include Executive arrangements (leader and cabinet or directly elected mayor and cabinet), a committee system or 'prescribed arrangements' which require approval of the Secretary of State.
- 6.5 Whilst the recommendations of the Governance Review Panel do not propose a formal 'legal' change to the Council's governance model the recommendations do propose a re-positioning of the current model by the creation of Cabinet Member Advisory Committees and other measures to improve opportunities for participation by both the public and Members. These proposals will require a review and update to the Council's Constitution. Other recommendations within the report will also likely require changes to the Council's Constitution.

(Approved by: Sandra Herbert Head of Litigation and Corporate Law on behalf of the Director of Law and Governance and Deputy Monitoring Officer)

9. HUMAN RESOURCES IMPACT

- 9.1 There are no immediate Human Resources issues for Council employees arising from the report.

(Approved by: Gillian Bevan, Head of Human Resources on behalf of the Director of Human Resources)

10. EQUALITIES IMPACT

- 10.1 A goal of the review and proposed improvements is to enhance community engagement and participation.
- 10.2 An equality analysis will be undertaken to examine the options and improvements put forward as a result of the review to ensure the potential impact of the proposed changes on groups that share protected characteristics and all communities are fully considered. This will be completed alongside the development of the delivery programme.

11. DATA PROTECTION IMPLICATIONS

WILL THE SUBJECT OF THE REPORT INVOLVE THE PROCESSING OF 'PERSONAL DATA'?

- 11.1 There is no processing of personal data as a direct consequence of this report.
- 11.2 Members may be aware that a Governance Review Privacy Notice has been published in relation to any personal data processed as part of the review. This notice can be seen at: <https://www.croydon.gov.uk/democracy/data-protection-freedom-information/privacy-notices/governance-review-privacy-notice>

HAS A DATA PROTECTION IMPACT ASSESSMENT (DPIA) BEEN COMPLETED?

- 11.3 As there is no processing of personal data as a direct consequence of this report, completion of DPIA was not required.

(Approved by: Sandra Herbert, Head of Litigation and Corporate Law for and on behalf of The Director of Law and Governance and Deputy Monitoring Officer)

CONTACT OFFICER: Stephen Rowan, Head of Democratic Services and Scrutiny.

APPENDICES TO THIS REPORT

Appendix 8.1 - Final Report of the Governance Review Panel

Appendix 8.2 - Recommendations of the Governance Review Panel

Appendix 8.3 - Draft Terms of Reference for the Implementation Working Group

BACKGROUND DOCUMENTS:

The following public background report is not printed with this agenda but is available as a background document on the Croydon Council website which can be found via this link [Council Agendas](#): Governance Review - Supplementary Evidence Report.

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Croydon Council Governance Review

Enhancing Democracy
Increasing Participation

FINAL REPORT OF THE
GOVERNANCE REVIEW PANEL

MARCH 2020

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FOREWORD AND INTRODUCTION

Dame Moira Gibb, Independent Chair of the Governance Review Panel

Governance is too often taken for granted and too rarely reviewed other than at times of national change or local crisis. Croydon Council is therefore to be congratulated on launching a governance review, seeking to improve its decision making and encourage wider participation.

A cross party group of Members and an Independent Member have worked together to produce this report which charts a way for the Council to improve its engagement with residents and enable a wider group of Members to influence the many decisions the Council takes.

The review has benefitted from the many well-informed contributions it has received. 60 current and former councillors contributed through surveys and workshops as well as through a meeting of all Members to discuss the draft findings. More than a thousand residents participated through surveys or written contributions, and eight strategic partners also contributed to the review. The Panel examined information about the Council's governance arrangements and considered the structures, processes and practice of participation in decision making. We also learnt a great deal from the expert witnesses who spoke to the Panel and also from the support received from the Centre for Public Scrutiny and reviews of good practice from across the country. All the contributions we have received have been considered by the Panel and we are grateful for the time and attention that individuals have given to help our work.

While the review was neither an audit nor an inspection of existing governance arrangements, it is clear that there is nothing fundamentally wrong with how Croydon takes its decisions and all of its practices are lawful (very similar to those operating in many other councils up and down the country). But there was nevertheless considerable dissatisfaction with the present arrangements. Many Members believed they could not influence decisions and that their knowledge and experience of their local communities was not put to good use. The public did not see the best of the Council and also felt excluded from decisions that were important to them.

The Panel does not believe that the answer lies in structural change to governance, such as a return to the committee system, but rather lies in improving the current culture around decision making. All the evidence the Panel considered supports the primacy of culture over structure. But culture change cannot simply be mandated, it needs to be built and supported. We make recommendations with regard to getting started on culture change and also recommend some structural change which we think will exemplify, support and enable a new culture.

Our 11 recommendations are grouped under four themes to reflect how we have considered these different aspects of our review. The work is not complete. Further negotiation and deliberation needs to be undertaken by councillors from both parties, in consultation with officers, before the Panel's recommendations can be fully implemented. I hope this work continues in the same collaborative and constructive spirit that the Panel has proven to be possible.

On behalf of the Panel, I fully commend the contents of this report and its recommendations to the Council and ask that they not only consider and accept them, but that they also continue to invest the time and energy required to ensure that the changes are embedded and have every opportunity to succeed.

Finally, I would like to thank everyone who has contributed to the review but especially the Elected Members and the Independent Member on the Panel who have worked collaboratively in difficult national circumstances and the officers who have most diligently supported our work.

ABOUT THE GOVERNANCE REVIEW PANEL

In the autumn of 2018, a cross-party Panel was established to undertake the Governance Review and to report its findings to Council.

There were eleven Panel Members as follows:



Dame Moira Gibb
Independent Chair



Anne Smith,
*Independent Member from
the Ethics Committee*



Councillor
Hamida Ali



Councillor
Richard Chatterjee



Councillor
Sean Fitzsimons



Councillor
Clive Fraser



Councillor
Simon Hall



Councillor
Jason Perry



Councillor
Joy Prince



Councillor
Helen Redfern



Councillor
Scott Roche

The Panel was supported by Jacqueline Harris Baker (Executive Director of Resources and Monitoring Officer), Stephen Rowan (Head of Democratic Services and Scrutiny) and Agnieszka Kutek (Programme Manager).

The Panel also engaged Jacqui McKinlay and Ed Hammond from the Centre for Public Scrutiny (CfPS) to work alongside the Panel and provide expert support and quality assurance.

The Panel's Terms of Reference

The Panel's terms of reference were agreed by the Council. The Panel was asked to conduct an independent assessment and review of the Council's governance structure that would:

- i)** Hear the views of councillors and other stakeholders including, residents, community and voluntary groups, business, MPs and other participants in local democracy;
- ii)** Hear the views and seek advice from experts on participation in local democracy;
- iii)** Identify those aspects of the Council's governance that work well and identify opportunities to enhance councillor and other stakeholder participation in the local democratic process;
- iv)** Benchmark good practice from areas with higher levels of participation and consider how this can be delivered in Croydon; and

- v)** Identify the cost and value for money implications of any recommendations that it makes

In order to make recommendations to the Council on options for improvements to the Council's governance arrangements. The terms of reference also stated that a successful review will lead to:

- i)** The Council fully exploiting those areas of its governance arrangements that encourage participation in decision making;
- ii)** Stakeholders being more engaged in decision making and feeling a greater power to influence; and
- iii)** The Council being at the forefront of participation in its governance arrangements.

Why Croydon chose to review its Governance

Croydon has operated a version of the Leader and Cabinet model since 2002. Initially, the Executive function of the Council was held by the Cabinet collectively, but following legislative changes in 2010 Croydon moved to the Strong Leader model, in which all executive power is vested in the Council Leader in the first instance.

Previous reforms had streamlined decision-making and reduced bureaucracy, but also potentially created a new set of issues that need to be considered.

Governance was an issue covered by both political parties represented on the Council in their respective manifestos for the 2018 local elections.

The Labour Party Manifesto stated a commitment to “undertaking a review of the Council’s governance structure bringing together best practice across the country and beyond to develop a model tailored to the needs and aspirations of Croydon residents. The main goal of the review would be to enhance local democracy and community engagement”.

The Conservative Party Manifesto said: “we will immediately reform the cabinet decision-making system and ensure that it becomes properly accountable and transparent... in the longer term we will review whether we should ditch the cabinet/scrutiny model which is responsible for much of the secrecy around the town hall”.

Having been successful in the 2018 local elections, the Labour administration embedded its manifesto commitment to undertake the review in the council’s corporate plan and Council subsequently considered and agreed the establishment of the Governance Review Panel.

Undertaking a comprehensive governance review was timely. Both regionally and nationally there have been a number of important issues that have affected how residents perceive decision making at the Council.

National politics, including the EU referendum and Brexit alongside several general elections being held in a short space of time, has led to an increasingly divisive and polarised political debate.

On a more local level, changes to the Local Plan in Croydon and an increase in housing development within the Borough have also been politically divisive and have become a key point of political contention.

A decade of funding cuts and increasing demand for councils’ services, especially social care, has meant that councils needed to find savings often resulting in withdrawal of funding from services such as housing, transport and culture. In Croydon there has been a 75% cumulative reduction in government funding of council services and this has impacted the availability and provision of services to Croydon residents.

Local authorities also operate in an increasingly technologically advanced world. Local communities are increasingly connected and local news is now published and shared almost instantly. This means that both news on decisions, as well as commentary and political opinion on them, are shared significantly more quickly than previously.

All these factors combined have also increased the scrutiny that the Council’s decision making is placed under. At the same time, they have also raised expectations amongst residents in terms of both their ability to participate in and influence council decision making and the openness and transparency of Croydon’s democratic processes.

EXECUTIVE SUMMARY

This is the final report setting out the recommendations of the Governance Review Panel. It explains the context of the review and the Council's current governance and decision making arrangements.

The key conclusions of the Panel were that even though the Council has fit for purpose formal governance arrangements, there is dissatisfaction amongst Members and residents who found it hard to get timely information and to influence decisions. The Council can do better and become the kind of Council it aspires to be by:

- Making a step change in its communication and engagement with the residents of Croydon
- Improving transparency by introducing a forward plan and clarifying how the Council makes its decisions
- Improving the culture of the Council including officer and Member relationships
- Providing better support to non-executive Members to carry out their various roles
- Revising the existing Leader and Cabinet model of governance towards more collective decision making and establishing Cabinet Member Advisory Committees.

Implementing these recommendations will enable the Council to pioneer a new way of working that better matches its aspirations to enhance councillor involvement, local democracy and community participation with a governance model tailored to the needs of Croydon's residents.

All local authorities are required by law to make decisions using one of a limited number of models. These models include: a Committee system; an elected Mayor; or a Leader and Cabinet. Croydon operates under the Executive Leader and Cabinet model of decision making that is supported by a number of Scrutiny committees and has used a variant of this since the majority of councils were required to change their decision making models by the Local Government Act 2000. However, in Croydon, strong leader decisions are rarely exercised and almost all executive decisions are taken through collective Cabinet meetings or are delegated to individual Cabinet Members or officers.

The Council operates within this legal framework and the Council's Constitution is the key guiding document that sets out:

- The Council's responsibilities and functions (including allocation of those);
- The rules and framework which govern the operation of the Council; and
- The procedure rules, codes and protocols for specific parts of the decision-making structure.

The Council's governance rules and framework are reviewed annually. The Council has documents, procedures and processes that relate to issues such as its commitment to ethical values and the rule of law, stakeholder engagement, managing risks and performance and embedding good practice in transparency, reporting and auditing.

The Panel was established in October 2018 by the Council and over the period of 16 months it undertook an extensive,

cross-party review of the Council's formal and informal governance arrangements. The formal terms of reference set by Council tasked the Panel with assessing the Council's decision making structures in order to develop a model tailored to the needs and aspirations of Croydon's residents and stakeholders. The main goals of the review were to enhance councillor involvement, local democracy and community participation.

The Council provided the Panel with an appropriate level of resource to ensure that a comprehensive review could be delivered. The Panel assessed the Council's current governance framework, considered evidence submitted by local stakeholders and experts and reviewed best practice to ensure that the Council's decision-making is lawful, informed by objective advice, transparent and consultative.

The Panel found that on the whole, the Council has fit for purpose formal governance documents and procedures and provides opportunities to participate, and engages residents on a variety of issues. However, despite a robust formal, written framework, there are areas for improvement in terms of more informal, day-to-day practices, including a need for greater transparency and consistency in communicating decision making, which might ensure that such participation and engagement is more consistently positive.

For Panel Members, a key driver of the review was Member dissatisfaction with the opportunities available to them to influence decision making within the current model of governance, a view reinforced by the Member survey.

The main areas of dissatisfaction that the Panel aims to address in its report were the limited visibility of upcoming decisions and the variable quality and uptake of opportunities for residents and stakeholders to participate. In particular, there was limited transparency and openness about decisions in the early stages of development which prevented councillors not in the Cabinet from contributing to or influencing those decisions while at a formative stage.

The Panel found that residents were often consulted and engaged in a variety of ways for a range of different purposes which might cause confusion for residents on how their views would influence decision making. Consultation was sometimes held during the later stages of the decision making process, providing residents with insufficient time or information to participate effectively, which on occasion resulted in residents not seeing their feedback meaningfully considered and responded to, leading to them feeling ignored by the Council.

This report makes recommendations grouped under four themes which aim to achieve the following outcomes:

1. The Council is manifestly committed to fostering a trusting relationship with residents. Participation is meaningful and happens when it is possible to influence the outcome. The Council is deliberate and innovative in the way it engages and both consistently and clearly communicates what, how and why decisions are made.
2. The right culture exists for all Members to feel they can work well in different roles, including cross-party. Members and officers work effectively together to deliver the best outcomes for residents.
3. All Members, including Members of the opposition and backbench Members, are given timely support and information that enables them to perform in their respective roles.
4. The Council's decision making structures are fully supportive of opportunities for Members and residents to participate.

The Panel considered if and how alternative formal models and structural changes could better support delivery of these desired outcomes, recognising that varying views on the benefits of different structural arrangements are always likely to exist amongst Members. Panel Members had different views on the best arrangement, but believe that the right balance has been struck in terms of creating recommendations that result in delivering the desired improvements and that meet the objectives of the review.

In terms of formal decision-making structures, the Panel agreed that a move to a Committee model should not be recommended. While recognising the merits of the Committee model in terms of its collective and inclusive nature, it noted that the cost and time it would take to deliver a system change would be excessive and not as efficient as the speedier decision making of the Leader and Cabinet system at times required of a complex, large organisation.

In terms of drawbacks of the two models, the streamlined nature of the Leader and Cabinet model inevitably results in the exclusion of non-executive Members to some degree. The drawbacks of the Committee model mainly relate to the prolonged decision making process and the fact that it may not address Members' major complaint about not seeing decision making reports early enough in the process to influence their development.

The Panel recommends instead a move to a hybrid structure that captures the benefits of the existing Leader and Cabinet model, while allowing increased opportunity for earlier debate than would be delivered through a committee system. We propose the creation of cross-party Cabinet Member Advisory Committees, to strengthen the collective Cabinet and provide an inclusive forum for political debate and input into the Council's most important decisions before they are made.

The Panel accepts that structural changes are only a small part of the answer. A large portion of this report therefore focuses on the Panel's recommendations relating to finding better ways to communicate and engage with residents, providing clarity on how decisions are taken to better reflect the reality of the Council's decision making, earlier forward planning and supporting non-executive Members in their roles.

The Panel concluded that a cultural shift in how Members and officers operate and interact is needed to underpin the improvement journey. Without this, the change needed for consistent, inclusive and meaningful participation will not be maintained in the long term.

4

OVERVIEW OF THE COUNCIL'S GOVERNANCE ARRANGEMENTS

Croydon's current decision-making model

A number of legislative changes have influenced the current governance arrangements for the Council. The Local Government Act 2000 ("the 2000 Act") introduced a separation of powers in local government for all but the smallest local authorities with the aim of making council decision-making efficient, transparent and accountable. The 2000 Act required most local authorities to change governance arrangements from the committee system to an executive-scrutiny model. The Council adopted the Leader and Cabinet model in May 2001.

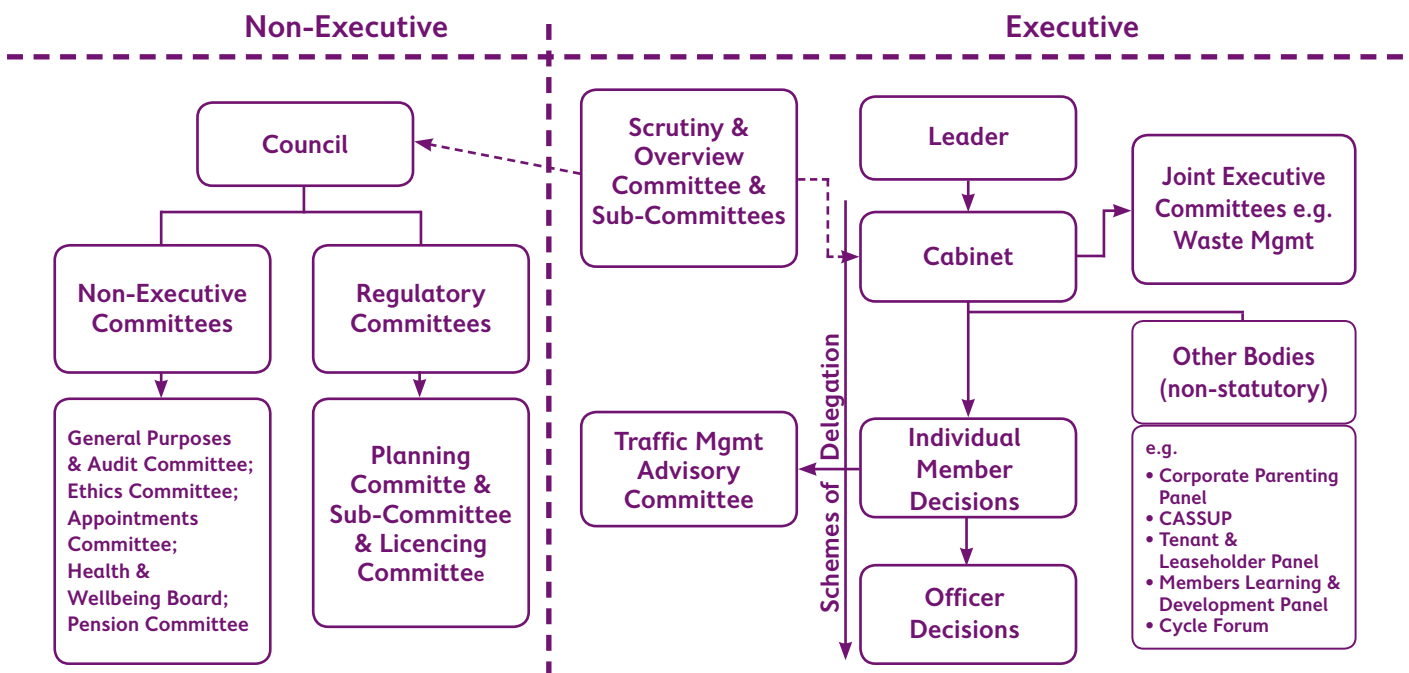
The Local Government and Public Involvement in Health Act 2007 ("2007 Act") restricted the governance options available to local authorities and required the Council to introduce a choice of two models: a directly elected mayor or a new style "strong" council leader. Both models placed executive powers in the hands of an individual, who, in the normal course of events, would serve an uninterrupted four year term. A directly elected mayor and the new style council leader both have the

power to appoint and dismiss Cabinet Members and decide what executive powers they would exercise (if any). The Council resolved to introduce the Strong Leader and Cabinet model following the local elections in May 2010. However, in practice executive powers have rarely been exercised by the Leader in isolation. The vast majority of executive decisions have been delegated to either the Cabinet collectively, to individual Cabinet Members or to officers to undertake the day to day running of council services.

The Localism Act 2011 increased the governance options for local authorities to executive arrangements (leader and cabinet or directly elected mayor and cabinet), a committee system and prescribed arrangements (where councils propose their own system of prescribed arrangements requiring Secretary of State approval). The Council retained the Leader and Cabinet model. Theme 4 of this report further details the legislative background relating to governance options available to councils.

The current decision-making structure looks as follows:

London Borough of Croydon Decision Making Structure



Picture 1. Croydon Council decision making structures

The **Council meeting** takes place seven times each municipal year. The Annual meeting of the Council appoints councillors to various roles and bodies. The Budget meeting of the Council agrees the council tax and council budget for the following year. This forms part of the overall budget and policy framework that is also agreed at Council. The Council meeting was last significantly revised in 2016 to increase participation of both Members and residents. 30 minutes are available for public questions to the Cabinet and 105 minutes for questions to the Cabinet from councillors.

The Council meeting includes petition debates, member petitions and council debate motions. It also receives annual reports from Scrutiny, General Purposes and Audit Committee (GPAC), Health and Wellbeing Board and, from 2019, the Corporate Parenting Panel.

In Croydon, the Leader appoints a Cabinet comprising of himself and up to nine cabinet portfolio areas and delegates many decisions to the Cabinet to decide, both collectively and in some cases (predominantly relating to contracts and highways matters) to individual Cabinet Members. There are also nine deputy Cabinet Members and ten Shadow Cabinet Members, including the Leader of the Opposition, with corresponding portfolios.

The Cabinet is collectively responsible for executive decision making within the Council's budget and policy framework. There are ten **Cabinet meetings** annually and those are open to all Members to participate, with papers circulated electronically to all Members. Cabinet Members make decisions relating to their portfolios and within the context of the **Corporate Plan** that sets out the Council's strategic objectives. Each Cabinet Member publishes a bulletin at each ordinary Council meeting. Briefings on major strategies or contracts are available to Shadow Cabinet Members on request.

Croydon has a main **Scrutiny and Overview Committee**, and three sub-committees that can both review executive decisions before they are taken and 'call-in' key decisions. The scrutiny bodies cover the following areas:

- Scrutiny and Overview Committee - council strategy and policy, financial performance, community safety and crime reduction
- Streets, Environment and Homes Sub-Committee - highways and streets, housing, environment, conservation and climate change, flood risk
- Health & Social Care Scrutiny Sub-Committee - health, adult social care and mental health
- Children and Young People Scrutiny Sub-Committee (CYP) - education, children's social care and youth services

The Scrutiny and Overview Committee meets eight times per year and has statutory responsibility for Crime and Disorder scrutiny functions and is responsible for consideration of call-ins. The sub-committees each meet seven times per year. The Children and Young People Sub-committee has five educational co-optees and has delegated authority to undertake education scrutiny. The Health and Social Care Sub-committee has delegated authority to scrutinise local health partners.

The Council also manages its business through a range of formal and statutory committees as well as non-statutory informal advisory bodies.

The decision-making framework

In addition to the legislation that governs the decision-making frameworks that councils have to choose from, there is wider legislation and guidance that the Council has to operate within. This affects how some decisions have to be taken and also how the Council is held to account over its decision making.

The Council is under a duty to maintain and keep up to date a document referred to as its Constitution under s.9P of the Local Government Act 2000. The **Council Constitution** sets out the over-arching governance framework and in turn the Council's decision-making processes and procedures. It includes protocols on decision making and staff/councillor relations, the Leader's Scheme of Delegations and the Member's Code of Conduct. The Constitution is available on the Council's website.

The Council's formal governance arrangements are reviewed annually. This includes reviews of the Constitution, Schemes of Delegation and annual reports detailing the Council's performance in ensuring good governance.

The General Purposes & Audit Committee has a wide ranging brief that underpins the Council's governance processes by providing independent challenge and assurance. The Committee produces an annual report detailing the adequacy of risk management, internal control including audit, anti-fraud and the financial reporting frameworks.

The Ethics Committee is responsible for reviewing the Members Code of Conduct and allows Members to raise issues around Governance, conduct and ethics.

Croydon Council has a set of Corporate Values. These values undergo regular review and represent both staff and the public's expectations of the Council.

The **Council's Governance Framework** provides an overview of how the Council ensures that it follows the principles of good governance. It explains the Council's documents, procedures and processes that relate to issues such as demonstrating a strong commitment to ethical values and the rule of law, ensuring stakeholder engagement, managing risks and performance and implementing good practice in transparency, reporting and audit.

There are three key officers of the Council who hold statutory roles; the Head of Paid Service (the Chief Executive), the Monitoring Officer and Chief Finance Officer (also known as the Section 151 officer). Statutory officers have specific duties and have an important, independent role in promoting and enforcing good governance and for making sure the Council complies with legislation.

Governance is, "the way in which organisations are directed, controlled and led. It defines relationships and the distribution of rights and responsibilities among those who work with and in the organisation, determines the rules and procedures through which the organisation's objectives are set, and provides the means of attaining those objectives and monitoring performance. Importantly, it defines where accountability lies throughout the organisation.

Good governance in local authorities ensures that decision-making is lawful, informed by objective advice, transparent, and consultative.

Local authority governance, National Audit Office, 2019

The Council is held to account on its decision making, with the ability to scrutinise and challenge decisions in the following ways:

- they can be judicially reviewed in the courts;
- the Local Government Ombudsman will consider any complaints of maladministration;
- the Council is audited by independent external auditors;
- there are a range of inspection regimes and industry peer review programmes;
- some areas of council work require officers to be professionally qualified, such as lawyers, social workers, surveyors and accountants. These roles are often subject to additional scrutiny by the relevant regulatory body;
- for some service areas, there are statutory appeals processes, such as licensing or planning applications or school admissions; and
- access to council information can be sought through statutory mechanisms, such as the Freedom of Information Act and Subject Access Requests under the Data Protection Act and General Data Protection Regulations.

Local authorities also operate in a wider statutory framework that governs how many decisions are taken. These include how public procurement is undertaken, how licensing and planning applications are considered, and how children and adult social care and housing are provided amongst many other examples. These statutory frameworks often state minimum standards that councils must adhere to as well as describing what factors councils can and cannot take into account when considering decisions in these areas.

There are emerging areas where council governance can appear even more complex and less transparent. Local authorities frequently now establish Local Authority Trading and other limited companies, where the Council is a shareholder. Councils are also entering 'joint arrangements', where they deliver services in partnership with other local authorities, often through a single contract with a private sector supplier, or other public sector organisations through collaborative and innovative partnerships.

4

Participating in decision making

The current decision-making model contains a range of ways in which backbench councillors, opposition councillors and residents can participate in decision making. These include:

- Speaking at decision making meetings
- Voting at decision making meetings
- Presenting petitions and participating in petition debates
- Question time for the Leader and Cabinet Members at different meetings
- The webcasting of those meetings most important to residents
- Being consulted on decisions before they are taken
- Being able to refer certain applications to committees
- Being able to 'call-in' certain decisions or services for additional scrutiny
- Participating in a range of service and community based groups and forums

Further information about structures and ways to participate can be found in the Evidence Report (Appendix B, evidence ref no.1, 2-2.1).

The Panel acknowledges that the Council operates what appears to be a robust, though complex, formal Decision Making and Governance Framework and sees it as a necessary foundation to foster good governance. In keeping with its terms of reference, the Panel's work focused on how this framework is applied and what wider set of activities, different formal and informal arrangements, culture and behaviours could strengthen or hinder its effectiveness and specifically how participation can be improved.

Local authority governance is critically important in this era of financial pressure and rapid change. Local governance arrangements are being stretched and tested as local authorities take on more risks and look for innovative ways to deal with funding pressures and growing demand for services.

Local Government Governance and Accountability, House of Commons Committee of Public Accounts, 2019

THE PANEL'S APPROACH

Panel's work programme overview

An Independent Chair was appointed in October 2018 to lead the work of the Panel and a Programme Manager also appointed to support the work of the Panel. The first meeting was held on the 29th of that month. The Panel reviewed its terms of reference and discussed the best approach to delivering the review. The terms of reference set for the Panel's work were broad, with a challenging timetable to deliver the work originally set by the Council.

Given the significant amount of work required, the Panel recognised that there was a need to extend the deadline for the completion of the review.

The Panel sought an extension of six months, to ensure there was sufficient time to undertake a comprehensive exercise that fully considers and discusses the evidence. A [progress report](#) was submitted to Council and the extension until December 2019 was approved on the 15th of July 2019.

The Panel considered governance reviews carried out by other councils and sought advice from organisations and academics involved in supporting such reviews. Panel Members subsequently developed a work programme based on the objectives specified in the terms of reference and informed by good practice from similar reviews undertaken by other local authorities.

The Panel's programme was made up of four key stages:

- Work programme scoping
- Evidence gathering and consideration
- Options and recommendations scoping and report drafting
- Finalising the report and recommendations

Following a commissioning exercise, the Centre for Public Scrutiny was appointed to support the work of the Panel, and was tasked with providing evidence on resident and stakeholder perspectives as well as best practice briefing notes in specific areas of the Panel's interest.

The key activities specified in the Panel's work programme included:

- Considering the findings from resident, partner and Member engagement, along with feedback and learning from peer organisations
- Mapping out governance arrangements and learning from both the Council's current and previous structures and initiatives relating to governance, participation and transparency, and how those interact with the decision-making process

- Identifying strengths and weaknesses in the current governance arrangements
- Researching, fact finding and reviewing good practice
- Prioritising and assessing potential options and recommendations for improvements, including consideration of formal changes to decision making structures
- Estimating cost implications of any potential recommendations

In light of the general election held in December 2019, the Panel further postponed publication of its report to allow for a wider discussion of its draft report by all councillors in late January 2020, with submission of its final report to Council in March 2020.

Further detail of the Panel's work programme can be found in Appendix A.

Methodology

The Panel met on a monthly basis. At its meetings, the Panel received information, debated issues and agreed what evidence was required for future meetings to progress the review and agree its conclusions.

At the outset of its work, the Panel commissioned an extensive survey of serving and former Members of the Council to help inform the work of the Panel. In its early meetings, the Panel received presentations providing an overview of the Council's existing governance structures and opportunities to participate.

The Panel undertook a range of engagement and evidence gathering activity, summarised below:

- 18 Panel meetings and workshops to consider and discuss evidence
- Workshops attended by 50 Members, survey responses from 60 Members and retired Members, and additional written and verbal evidence submissions from individual Members
- 1,016 resident survey responses and written submissions, including consideration of submissions relating to planning issues from 400 residents and Residents' Associations
- 11 interviews with Senior Council Officers, including the Executive Management Team
- Input from the Leader and Cabinet as well as Party Group perspectives
- Eight Local Strategic Partners' evidence submissions
- Croydon MPs and GLA Member invitations to submit evidence

5

- Peer conversations including Members and officers from Sutton Council, CEO of Royal Borough of Kensington and Chelsea, former Leader of Camden Council and Chair of the Department for Communities and Local Government (DCLG) Councillors' Commission, CEO at Wandsworth and Richmond and Head of Democracy at Kirklees
- Consideration of evidence briefs and expert support provided by the Centre for Public Scrutiny
- Consideration of current decision making structures and information relating to decision making processes and engagements, including uptake of opportunities to participate and effectiveness of the Council's approach to engaging residents
- Peer review of the Planning Committee operation by the Planning Advisory Service
- Desk top research and review of best practice across the sector
- A meeting of all Members to consider the draft report, attended by 57 Members

A list of evidence gathered by the Panel can be found in Appendix B. A supplementary Evidence Report, published alongside this report, compiles key information and evidence gathered by the Panel.

The national context

It has been clear from benchmarking that Croydon is not unique in terms of the issues that have been raised leading to the review, namely issues around the planning process, mistrust of local authorities by residents, an inability to influence decisions before they are taken and disagreement over local priorities in a time of significantly reduced funding for services. This is a common picture at many local authorities.

Beyond the legislation around Council decision making models, there is limited guidance to local authorities on exactly how their chosen model should operate. Successive governments have recognised that all areas are different and how decision making operates in practice is a local issue to be determined by locally elected representatives.

As such, there isn't a single best practice model or gold standard for any local authority to aspire to. While there is recognised good practice in terms of governance, there is a significant variation in terms of how it is implemented in different local authorities.

6

OVERVIEW OF THE PANEL’S RECOMMENDATIONS

The Panel’s Principles

As the Panel continued to gather evidence, including considering Member and resident views, and to review national best practice and guidance, a set of key principles to help guide our work were developed.

The Panel agreed that any changes recommended should:

- i. help promote a positive culture of involvement that enables all councillors to represent their residents and local areas;
- ii. support open, transparent and inclusive decision-making that encourages resident participation and Member scrutiny, before decisions are taken;
- iii. ensure that decision makers have opportunities to listen to the diverse views of Croydon’s communities and consider those in a respectful, fair and responsive way;
- iv. make access to information for Members easier and more timely, to afford Members greater opportunity to be involved in emerging policy, proposals and agenda setting;
- v. support evolution and clarity of decision-making structures, roles and accountabilities.

As we shaped our conclusions, the above principles were considered alongside emerging recommendations with a view to ensuring they supported the changes the Panel sought to achieve.

Recommendation Themes

We have grouped our recommendations around key themes (see Picture 2) which emerged from our engagement as outlined below.

The first group of the recommendations relates to decision-making and enabling greater participation by the public and by non-executive elected Members.

The second group are concerned with the culture of the organisation which needs to change to support greater participation. A very strong theme emerged from many who contributed to our work that culture was the most important aspect of our recommendations – ranking above structural change.

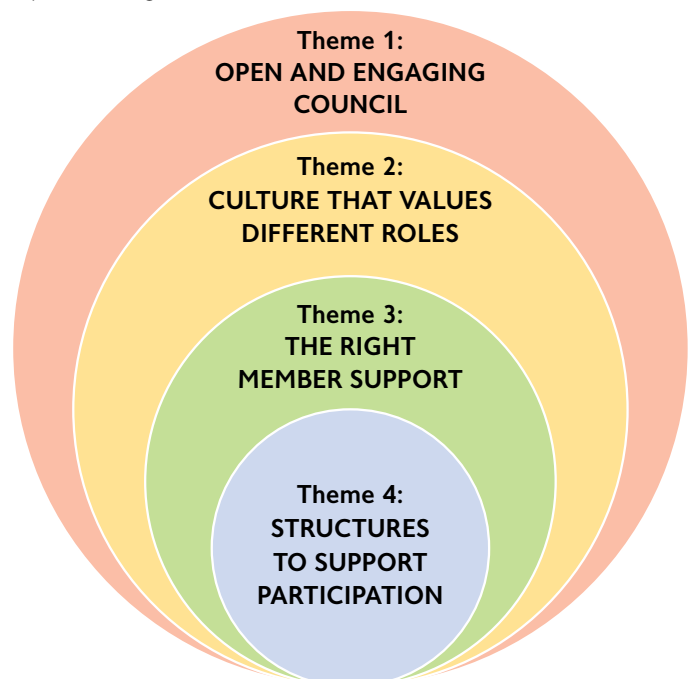
Our third set of recommendations are intended to help Members be more effective as ward and community representatives having heard that Members outside the Cabinet felt uninformed and unsupported in their representational role.

And our final set of recommendations are about structure which, at the beginning of our work, we had thought would form a much bigger part of our considerations. We make recommendations about structures which are intended to support the other recommendations.

There were certain areas the Panel has not been able to cover or arrangements proposed which have only been developed in outline, with some recommendations requiring the Council to undertake further detailed work and consideration before implementation. It was also evident that there would be interdependencies between the recommendations made.

Given the scope available to the Panel in its terms of reference, much of the work has been led by the evidence submitted by those who participated in the review. There are no right answers, though there are wrong ones, to many of the questions posed.

The Panel was a cross party group and there were and remain differences of view along party lines on some issues but wherever possible, it has striven for bipartisan agreement.



Picture 2. Recommendation themes

6.1

RECOMMENDATIONS - THEME 1**The Council is open and engaging in its decisions****Desired outcomes:**

The Council is manifestly committed to fostering a trusting relationship with residents. Participation is meaningful and happens when it is possible to influence the outcome. The Council is deliberate and innovative in the way it engages and both consistently and clearly communicates what, how and why decisions are made.

The terms of reference of this review said that the Council aspires to be at the forefront of participation and asked the Panel to consider how the Council can fully exploit all opportunities for participation.

We have not been able to do all the work on public participation we would have liked and while there is much to be positive about, the Council is recommended to seek to reset how it engages with residents, ensuring a better understanding of the Council's decision making and underpinning engagement by providing information in a timely and accessible way.

Creating a listening culture and a responsive ethos are some of the most intangible and hardest challenges for a council. To people with busy jobs it can feel like a 'nice to have' accessory rather than a key to success. Yet for engagement to mean something beyond a combination of painful consultations and superficial listening events, it needs to be integrated within the whole council's ethos.

New conversations: LGA guide to engagement, 2017

Resetting how the Council engages with residents

The Panel was unable to undertake a detailed engagement that would allow us to consider all the different ways the Council engages with residents or to undertake a survey that was statistically representative of the Borough as a whole.

The Panel did however conduct an online survey with responses from over 1000 residents and feedback from eight organisations who form part of the Local Strategic Partnership. The Panel also heard from over 400 residents via email on planning issues. The Panel further commissioned the Centre for Public Scrutiny (CfPS) to undertake a desktop exercise which considered a sample of evidence of how different council departments engage and encourage public participation, with 96 items of evidence reviewed. Full outcomes of the assessment of evidence and views gathered in relation to how the Council engages can be found in the Evidence Report (Appendix B, evidence ref no. 3-3.9).

The Panel acknowledges the limitations of the method used to engage with residents and that as a result the survey is not representative of the borough as a whole. In particular the online survey was under representative of young people and minority groups and disproportionately reported the views of those who have already engaged with the Council.

The findings are nevertheless worthy of note.

Residents were interested to know about decisions that are being made, and wanted to use the website to find information easily. Transparency was very important. When engaging or raising issues, residents wanted to feel that the Council listened and acted on their feedback, which they considered wasn't always the case.

Views of partners were that the Local Strategic Partnership was a helpful structure but could be more ambitious about delivery of priorities and collaboration. Partners wanted the partnership to be less council-led, allowing more to be done by different partners on certain issues and initiatives.

Community leadership is about councils, both councillors and officers, enabling local communities to determine their own future. It is not traditional, top-down leadership, but involves councillors and officers using all the tools at their disposal to engage communities in making their own difference. It promotes a partnership of shared commitment to promote a shared vision for the locality

A councillor's workbook on community leadership, LGA, 2017

The review by CfPS found that there is a significant amount of activity in the form of consultation, ongoing dialogue and joint working with residents and other key stakeholders. This engagement is a combination of service and project specific activity alongside ongoing forums such as partnership alliances, service-user groups, Panels and newsletters.

It was less easy to evidence however:

- how this insight has been consistently used to inform decision-making;
- how engagement is co-ordinated and how insight from different sources was collated and shared within the Council;
- how residents and others can proactively engage outside of petitions, via Member and customer enquiries (the engagement feels council-controlled);
- how these groups rate and describe the experience of engaging and working with the Council.

6.1

It is positive that the Council is open and engages on many topics. The Council has a variety of existing teams that engage with residents and partners on a regular basis. The Council is also comparatively open in terms of resident opportunities to get involved in formal committee meetings, with rights to speak and time allocation at Council, Scrutiny and other committees such as Planning.

However, take up of formal and less formal opportunities to participate and the quality of engagement activity across the Council is inconsistent. Engagement activities reviewed were spread across different departments with no clear coordination and the strong possibility of duplication of effort.

The Panel also heard that the number of opportunities to get involved does not correlate with the level of influence that residents have or how well the Council listens.

Creating a trusting relationship with residents

From the evidence reviewed it is apparent that Croydon Council is relatively outward looking and wants to engage with residents in a positive and meaningful way.

This is conveyed by the Council's [Corporate Plan \(2018-2022\)](#) that commits to engage residents and local communities in the design and where appropriate the delivery of services, enabling residents to have a say in the vision for their local areas.

[Get Involved](#) is the main platform that the Council uses to engage and consult with residents. Strategic documents such as the [Community Strategy \(2016-2021\)](#) (developed by the Local Strategic Partnership) and the Council's [Digital Strategy \(2019-2024\)](#) also talk about the importance of engaging residents. The Council however does not have a strategic statement to clarify how it will engage and consult effectively.

Many other councils develop engagement and consultation frameworks to establish how they will engage and continue to improve.

It is possible that as the Council has become more open and innovative in the ways it delivers services, it has increasingly engaged with residents and stakeholders without necessarily having the capability or resource to close the feedback loop and learn from each engagement.

To improve the effectiveness and purposefulness of its engagement, the Council will need to reset its relationship with residents beginning with the development of a clear strategy on engagement. This will require a shift in culture, mind-set and language presently used by the Council. The strategy should act as a strong and clear statement of

intent which will start the Council on a journey away from more traditional ways of engaging resident and partner views to more deliberative and participatory democracy.

For example, Wigan Council redefined its relationship with its residents. The Wigan Deal is an informal agreement between the Council and everyone who lives or works in Wigan to work together to create a better borough. It gave commitment to a series of pledges and in return needed residents and businesses to play their part too. So far, through working together, the Council says it has saved £115m, amongst other positive impacts of the Deal. The Council is planning to engage Wigan as part of the LGA peer challenge commencing in March 2020.

As the Council agrees and communicates its own strategic commitment to residents, there are some principles and practical steps that the Council is recommended to take to work towards improving residents' trust and more positive engagement.

Local authorities of the future will need to knit together their speaking and listening functions, to build real trust and understanding. [...] A cocktail of different factors – economic changes, cohesion issues, social media, globalisation, and increasingly curious and nondeferential citizens – means that councils must have real, honest conversations with residents

New conversations: LGA guide to engagement, 2017

Participation and engagement improvement areas

Firstly, the Council is recommended to agree and introduce consistent standards around quality and timeliness of engagement with residents. In all instances of engagement it should be clear to residents what questions are being asked and what decisions are up for resident debate. The council's engagements can range from information giving, consultation, collaboration to empowering residents to lead the decision making (Picture. 3). For successful engagements, both the Council and residents need to know what the engagement is for and how responses from residents might influence the decisions to be taken.

The Council is recommended to ensure that residents feel that their views are heard, considered and responded to, especially in instances where residents engage proactively or raise issues. The Council needs to be collectively better at understanding residents' points, acknowledging them clearly and communicating its response in a way that is not perceived as dismissive, explaining its decision particularly when residents have expressed views that cannot result in changes to the decision.

6.1

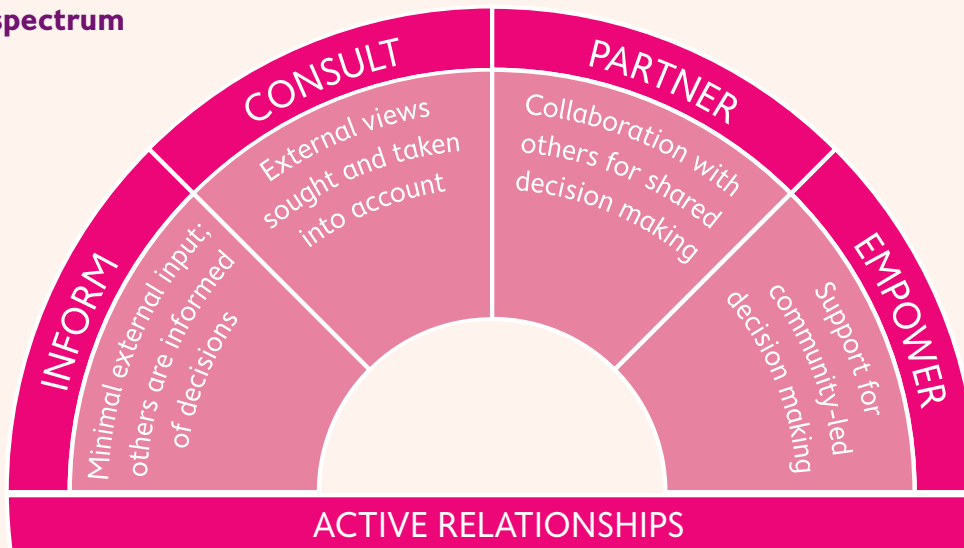
Once the commitment has been made and standards are in place, the Council is recommended to consider how it could refocus its existing resources to best meet its ambitions.

This may include mapping and assessing how different initiatives engage, joining-up efforts, supporting those that engage with clear guidance and standards, and providing shared learning to enable the Council to invest in the methods, tools and approaches that work for residents.

Every neighbourhood or community is made up of different individuals and groups, whose particular views, interests and ambitions may often be at odds and may not always be reconcilable. This is not a reason for ignoring the importance of neighbourhood and community engagement, but is the very real challenge [...] in getting people more actively involved in the issues which affect them.

A councillor's workbook on neighbourhood and community engagement, LGA, 2016

Engagement spectrum



Picture 3. A councillor's workbook on neighbourhood and community engagement, LGA, 2016

In order to enhance participation, the Council should provide opportunities for all residents to participate, especially groups that can be more difficult to engage. To achieve this the Council should make best use of technology to reach its residents, as many residents say social media is the most effective method of keeping them informed and engaged. This should be supplemented by using offline methods and reaching out to established forums, groups and communities (with help of partners, Members and existing networks). As an example, the Panel felt that more could be done to ensure the Youth Council had greater opportunity to feed into the Council's wider decision making, including opportunities to meet and engage with Members.

The Council would increasingly be able to develop the trust of its residents if engagement was more considered and timely, utilising more deliberative and participative methods.

It would be important to avoid any sense of engagement for engagement's sake.

Recommendation 1:

Put residents at the heart of decision making, building residents' trust in the Council's openness by publishing a strategic statement of how the Council will engage and ensuring that consultation and engagement activities are consistent in:

- Taking place at the earliest possible opportunity;
- Actively listening to residents;
- Being clear about their goals and how responses will be considered;
- Being joined up and shared across different council services;
- Engaging existing community groups and forums;
- Following latest best practice to engage with hard to reach and underrepresented residents; and
- Being reported to decision makers, clearly detailing how responses have influenced recommendations.

6.1

Engagement in neighbourhoods

Residents that took part in the survey indicated that the most important decisions to them were the ones that affected their neighbourhoods and the services that they personally receive. Although the Council has invested in more localised service delivery, overall governance remained fairly centralised compared to other local authorities that operate some form of local forums or committees to engage residents on local issues at the formal decision making stage.

The Council should consider whether governance arrangements need to be adjusted to allow greater engagement in localities. Further details of the Panel's view on the potential of formal structural changes relating to ward forums and area committees can be found in **Recommendations - Theme 4** (pages 30-39 of this report).

Neighbourhood and community engagement has a rightful place as one of the key processes involved in planning and decision making. As such, it should not be viewed as an additional task, but as a core part of the business of local government. It is not a resource burden, but a way of ensuring that scarce resources are better targeted in meeting community needs. And it does not challenge the authority of Members, but provides a useful way of enhancing their role, strengthening democratic legitimacy and encouraging community development

A councillor's workbook on neighbourhood and community engagement, LGA, 2016

In terms of less formal forums and approaches that allow residents in different neighbourhoods to feedback their views, the Council could be clearer in terms of what options exist for communities, with Members working collaboratively to raise and resolve local issues. A menu of options could be created and promoted.

Few authorities have managed to redefine their relationship with residents to one that is truly participatory and collaborative. Notably Kirklees has done a lot of work focussing on developing genuine engagement, built on local identity, including undertaking place based consultation supported by council officers, as well as local community groups that are trained to support local engagement.

Croydon can learn from Kirklees and Wigan and other proactive local authorities. This is however a long-term commitment and one that the Panel appreciates needs to be attempted through phased and gradual improvements.

Recommendation 2:

Ensure that local communities are at the heart of how council services are delivered in their areas by building on existing work to deliver locality based services and devolution pilots. In doing so develop joined up and innovative options for more neighbourhood based involvement in decision making.

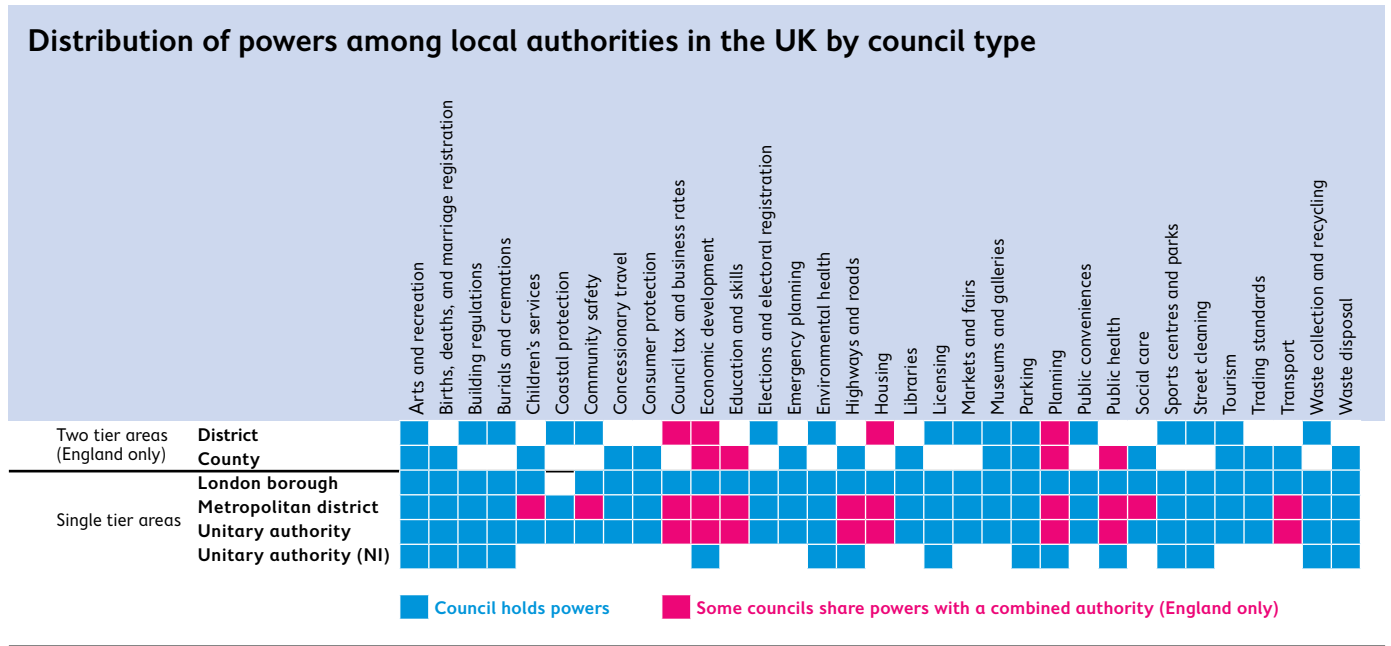
Improving understanding of the Council's decision making

The Panel believes that an improved understanding of the Council's decisions and decision-making process is a necessary area of focus if the Council is to ensure consistent and valued participation.

Local government decision making structures are often not easy to understand. It can take a significant amount of time for new Members and officers to learn to navigate the Council's decision making processes and for residents and partners it can be particularly hard to get to grips with. With statutory and discretionary committees, executive and non-executive functions, delegation to collective and individual Cabinet Members and officers, it is often unclear how different decisions can be effectively influenced at a stage when decision makers' minds are still fully open to influence.

The Panel recognises that this is made more difficult because of the wide ranging nature and scope of decisions the Council is responsible for (as showcased on Picture 4). Those can range from small operational decisions to long term strategic ones and those that relate to services affecting all residents or individuals.

6.1



Source: Institute for Government analysis of House of Commons Library, Local government in England: structures report, April 2018. Combined authority data sourced from House of Commons Library. Devolution to local government in England report, May 2019. Data for Northern Ireland drawn from the nidirect website (www.nidirect.gov.uk), local council responsibilities, May 2019. Data for Scotland sourced from Scottish Parliament, Local government in Scotland research briefing, August 2016. Data for Wales drawn from Welsh Local Government Association (www.wiga.wales), local government in Wales webpage, and analysis of individual council websites, May 2019.

Distribution of powers among local authorities in the UK (Updated: 06 Jun 2019)

Picture 4. Local Authorities' Powers Source: [Institute for Government](#)

Croydon's formal and informal decision making structures are complex but in line with a local authority of its size. This is further discussed in **Recommendations - Theme 4** (pages 30-39 of this report). How decision making takes place is described in the Council's Constitution, agreed by the Council and reviewed annually.

A local authority should take an open approach to its decision-making, with a presumption that reports and decisions should be public unless there are clear and lawful reasons that the information should be withheld.

Local authorities should welcome and foster opportunities for scrutiny, and see it as a way to improve decision making. They should not rely unduly on commercial confidentiality provisions, or circumvent open decision-making processes. Whilst local press can play an important role in scrutinising local government, openness must be facilitated by authorities' own processes and practices.

Local Government Ethical Standards – A Review by the Committee on Standards of Public Life, 2019

In terms of effectiveness of decision making, when asked in the Member survey, 58% of Members believed that the Council was not very effective. In describing the most important factors which made decision-making effective, the top three answers were:

- 1) it is clear who is accountable,
- 2) decision-makers can evidence why decisions are made and
- 3) decision-makers are held to account.

The number and variety of decisions that the Council makes requires it to be dynamic in its decision making. In any decision there is a trade-off between speed of decision and the level of participation, with the right balance needing to be achieved. For most strategic decisions it would be appropriate to prioritise the need for participation over speed of approval. In the midst of the many decisions made there is a small number that have long-term impacts on communities and warrant the opportunity for extensive scrutiny to ensure quality and appropriateness. To allow this, visibility of upcoming decisions needs to be improved.

6.1

Forward planning

Some Members told us that while they didn't necessarily disagree with decisions that had been taken, the issue for them was that they weren't aware that they were going to be taken. They saw this as being caused by the absence of a comprehensive forward plan of when decisions were due to be taken.

The Localism Act (2011) changed the requirements of a forward plan removing the requirement to publish a "forward plan" of executive decisions three months in advance. Councils must however produce a "schedule of key decisions" (also known as the 28 day notice of key decisions) to give adequate notice of such key decisions. In line with this requirement the Council publishes its key decisions with 28 days' notice.

The Council's approach to drafting and publishing the 28 day notice is fairly consistent and produced as prescribed by legal requirement. Members told the Review that the statutory 28 day notice of key decisions wasn't informative and inclusive enough for their needs and as a result they missed out on participating in some important decisions. Instances were quoted where certain proposals were in development for months before they were considered at Cabinet, but they were only communicated to all Members with the minimum statutory requirement of 28 days' notice, and only then if they met strict statutory criteria, to be considered a "key decision".

In its discussions the Panel noted that beyond the publication of the 28 day notices of key decisions, wider decisions were not always easy to identify and the process by which they were made was not immediately visible; these included important strategies and policies that were on occasion not considered to fall within the statutory definition of a key decision.

The Panel believes that a key step towards a better balance between executive and non-executive Member participation in decision-making is the creation and publication of a much more inclusive and informative forward plan that provides information beyond the minimum statutory requirements.

The forward plan is recommended to be a live document listing all upcoming, key and significant decisions. By "significant" decisions, the Panel means decisions relating to policies that are reserved for review and approval by the Council, such as the Equality Policy, as well as some non-key Cabinet Member decisions that may require input or cross-party debate. The Forward Plan should provide sufficient time for Members to decide which decisions warrant greater scrutiny, would benefit from cross-party debate or require greater involvement of residents.

Whenever possible it should list upcoming decisions no later than six months in advance of the planned date for the decisions to be taken. Though the Panel recognises flexibility would need to be applied within the development of the forward plan to ensure that certain types of decisions (commercially and time sensitive decisions; decisions requiring the Council to comply with new legislation) can be approved at a shorter notice. However this should only apply to a limited number of urgent decisions.

The Council's political and managerial leadership teams need to establish a practical process for ensuring that such a document can be developed and kept up to date. The Council should therefore seek a clear commitment from the Cabinet, to lead this piece of work.

Recommendation 3:

Provide Members and residents with increased opportunities at an early stage in the process to influence decision making by producing and proactively communicating a forward plan detailing forthcoming decisions, including annually recurring decisions and key strategies and policies, at the earliest possibility and no later than six months in advance of the decision being taken.

Clarifying the decision making process

Publishing a forward plan would be the single most important step towards enabling more inclusive and transparent decision making. The Council should also consider other practical steps it can take to make the decision making process itself clearer.

The definition of a key decision is set out in legislation ([Local Authorities \(Executive Arrangements\) \(Meetings and Access to Information\) \(England\) Regulations 2012](#)).

The Council's interpretation of the statutory definition was approved by Council as part of the Constitution and defines a Key Decision as follows:

Key Decisions: Subject to the provision that a decision taker may only take a decision in accordance with the requirements of the Executive Procedure Rules and in compliance with the provisions of the Access to Information Procedure Rules set out, respectively in Part 4 of this Constitution, a Key Decision is an executive decision which is likely to:

- (i) result in the Council incurring expenditure, or making savings, of more than £1,000,000 or such smaller sum which the decision-taker considers is significant having regard to the Council's budget for the service or function to which the decision relates; or

6.1

(ii) *be significant in terms of its effects on communities living or working in an area comprising two or more Wards in the Borough.*

(Part 2 – Articles of the Constitution, Article 13.2 – Decision Making).

The Panel noted that in practice it is not always clear why certain decisions are deemed ‘key’ and others not. The way the definition is currently applied was not always consistent and too much emphasis was given to financial considerations and not enough to community impact. The Council is recommended to review its interpretation of its use of the term ‘key decision’ to ensure it is clear in both definition and practical application. Additional guidance should be developed that explains the types of decisions that should always be deemed as key and ensures that this is consistently applied in determining what are key decisions.

The difficult funding situation for local government means that councils are increasingly having to make decisions that will have profound, far-reaching implications [...] local people need the confidence to know that decisions made in their name are high-quality, evidence based and considered openly and accountably [...] now more than ever, good governance is vital. Councils have a responsibility to ensure that decision-making is as effective as it can be: decision making should critically benefit from the perspective of all councillors, but also be accountable, and involve the public.

Rethinking governance Practical steps for councils considering changes to their governance arrangements, CfPS, 2014

Officer, Member and resident user guides could be developed to provide an overview of how the Council makes decisions. Even though the decision making processes are clearly set out in the Council’s Constitution, Schemes of Delegation and Terms of Reference of Committees, this is naturally complex given the size of the organisation and the breadth of decision making that takes place. It is believed that additional guidance and training could help supplement the Constitution in clarifying decision making processes as it is not always clear to Members and residents who is making decisions and why decisions are taken at certain committees or by certain Cabinet Members or officers.

It is difficult to trust in a decision making system if the process of decision making is not clear or if decisions are not seen as being made in the open and within a robust approval framework. The Panel does not believe that the Council is actively trying not to communicate its decisions.

Rather it recognises that over time, under the Leader and Cabinet model, the decision making process naturally became more streamlined and as a result more exclusive, which has impacted upon its transparency. The Council is recommended to invest in clarity, predictability and dependability of the decision making process, which coupled with an increased visibility of decisions, are essential for councillors, residents and officers to understand how things work and how they are able to engage productively.

The structural changes proposed in **Recommendations - Theme 4** section (pages 30-39 of this report) would further support increased visibility and debate, but it is believed the above practical steps are an important foundation for the effective operation of any structures.

Recommendation 4:

Make decision making more open and transparent for Members and residents, by:

- Reviewing Croydon’s interpretation of the statutory definition of a key decision and if necessary amending the Constitution to ensure sufficient emphasis on community impact and producing guidance to ensure consistent interpretation and clarity of practical application, including types of decisions that the Council always deems to be key decisions;
- Publishing a guide on decision making processes to supplement the Constitution, and setting out how different services can be contacted and the different roles and responsibilities of councillors and key officers, and how Members and residents can participate in the Council’s decision making processes, including when decisions are delegated; and
- Ensuring that there is a consistent standard of decision making report writing that details why recommendations are being made, what background papers are available and what influence the views of Members and residents have had on development of the recommendations.

6.1

Timely and accessible information

The results of the resident and Member surveys showed that residents want information to be easier to locate and for the Council's website to be more user friendly to navigate, which was echoed by Members who wanted to be able to find the information they require.

The Panel recognises that the Council's formal information sharing procedures, such as freedom of information requests and complaints management, are also important in ensuring transparency and as such, the Council is recommended to continue to review those periodically.

If the Council developed an open data approach to information sharing, this could reduce the need to use statutory tools to receive information.

The Panel commends the Council's commitment to becoming a digital council and its strategy to achieve this ambition. **The Digital Strategy (2019-2024)** speaks about transforming the relationship between residents and the Council, and more specifically describes the desired outcomes as:

Information about the Council's democratic process, decisions, delivery and policies are easy to find, understand and (where appropriate) influence through online platforms [...]

All council information is in open, accessible formats by default, removing any barriers to access for people with disabilities, and enabling online sharing and preservation

The Council already recognises that the way it communicates and provides information needs to be improved and delivering on the Digital Strategy can support a number of the governance recommendations in this report.

Digital technologies are transforming how we work, do business and interact with one another. They help us use data on a previously unprecedented scale, allowing deeper understanding into human behaviour, needs and wants. The ability to embrace and implement data and new technologies will be fundamental to the future shape of public services.

Start of the possible: digital leadership, transformation and governance in English local authorities, LGiU, 2017

A relatively quick improvement would be to ensure that Members as well as staff have the tools, technology and access to information that enables them to perform their role effectively. The Council holds a lot of information and is a complex and multi-layered organisation, making it difficult to provide and share information in a timely manner. It is recognised that any attempt at coordinating the provision of information for Members and residents would potentially be very time consuming, so the Panel encourages the Council to fully utilise technology to assist in this task.

Recommendation 5:

Provide Members and residents with more opportunity to scrutinise and challenge decision making by fully endorsing the open data approach to information provision and giving regular progress updates on how the Council is improving its use of digital means to make information available and easily accessible.

6.2

RECOMMENDATIONS - THEME 2

Organisational and political culture values different roles

Desired outcomes:

The right culture exists for all Members to feel they can work well in different roles, including cross-party. Members and officers work effectively together to deliver the best outcomes for residents.

We have been told consistently that how Members work with one another and with officers is determined more by the culture of the organisation than by the structures. “In giving evidence, Members regularly talked about the need for a change in culture and behaviours and that this was key to bringing about change.” (Member Survey, 2019 Appendix B, evidence ref no. 3.4)

Councillors and officers are at the heart of local government policy and delivery and how they work together is fundamental to success. Good governance underpins those working relationships, which in turn provide a firm foundation for best value

How Councils work, Audit Scotland, 2010; see picture 5.

Culture in local government nationally

The issue of culture has been widely documented and discussed nationally. Both guidance and reports from organisations such as Local Government Association, Audit Scotland, National Audit Office (NAO) and Centre for Public Scrutiny all describe the importance of understanding, evaluating and working on creating the right culture (full list of sources can be found in Appendix B evidence ref no.14).

The CfPS discussion paper describes culture as “the shared attitudes, behaviours and values that define how organisations work”. The paper also distinguishes between political and organisational culture by stating that “Organisational culture is a familiar concept – it can be a barrier or enabler when organisations try to embark on major changes. Political culture is more complex. It is a part of organisational culture – that part that engages with the way that party politics, and politicians, engage with and influence organisational culture. Individual parties at local level will have their own cultures; councils as a whole may have a prevailing political culture, the attitudes and behaviours exhibited by elected Members as a whole. Amongst other things this political culture may influence the extent to which councillors are involved in decision making (at strategic and operational level), the extent to which Members are considered bound by professional standards of behaviour and discipline, and the way that executive decision makers and those who hold them to account (through overview and scrutiny) relate to each other.”

NAO (2019) notes that “strong cultures may be able to reduce governance pressures despite higher levels of risk, while weak cultures may generate governance issues even where risk is low.”

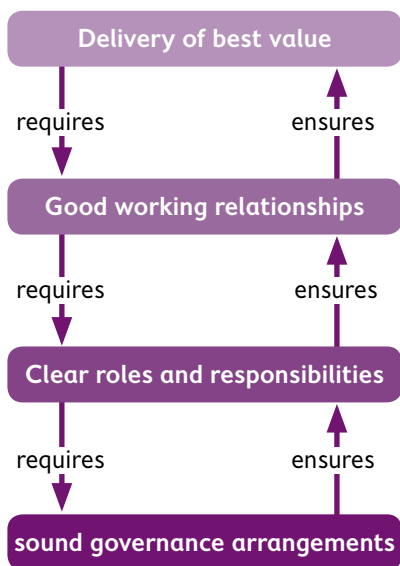
2016 report by Audit Scotland listed the core principles of good governance as:

- A culture of trust
- Clarity about roles and responsibilities
- The application of good conduct and behaviour

Given the prominence of the cultural issues in all the expert evidence that was considered, the Panel believes that the Council needs to take steps to review and assess the appropriateness of its culture. This would include:

- clarifying the different roles of Members and officers;
- ensuring effective Member to Member relationships;
- ensuring effective Member-officer relationships; and
- the role of the Council’s political and managerial leadership in maintaining the right culture

Governance, working relationships and best value



Picture 5. Source: How councils work, 2010, Audit Scotland

6.2

Member and officer roles

The LGA workbook on councillor/officer relationships states that “if councillors and the officers and management do not fully understand each other’s roles, this can lead to misunderstandings.”

The Member survey indicated that the varied Member and officer roles are often not fully understood. These include not only executive Members, but also Members performing in different capacities such as chairs of non-executive committees, ward councillors and opposition Members. It needs to be clear what can be expected by and of those Members in their roles as well as the officer advice and support available to them.

Croydon’s Constitution defines the role of Members and officers as:

Members and staff are servants of the public and they are indispensable to one another. But their responsibilities are distinct. Members are responsible to the electorate and serve only so long as their term of office lasts. Staff are responsible to the Authority. Their job is to give advice to Members and the authority, and to carry out the Council’s work under the direction and control of the Council, the Executive, and relevant committees.

Mutual respect between Members and staff is essential to good local government.

(Part 5.B – Protocol on Staff – Councillor Relations, paragraph 1.3-1.4)

The Panel agreed that it would be helpful to both clarify and raise awareness of Member and officer roles and responsibilities.

Lack of officer understanding of Member roles and the impact from the limited exposure of officers to Members is further discussed in theme 3 of this report.

For Members there is a particular need to understand the roles of statutory officers, who their key contacts are and the remit of different senior officer responsibilities and functions.

Political Groups and Member to Member relations

The Panel and the wider Member group consulted recognised that politics is an integral part of local government decision making.

Feedback gathered through the Member survey (Appendix B, evidence ref no. 3.4) suggests that some Members believe that the committee model created more open and transparent decision making, often leading to a consensus with more respect between committee Members of different

political persuasions. Many Members also believed that current relations between the two political parties could be improved, with a few raising concern about disrespectful behaviour, citing some Members being seen on occasion to prefer confrontation rather than cooperation or collaboration. It was acknowledged that the line between a legitimate politically driven debate and unreasonable political behaviour can often be hard to draw.

A protocol defining the conduct and standards expected of Members is written into the Council’s Constitution. The responsibility for ensuring individual and collective standards falls with each individual Member and the political leadership, supported by the Monitoring Officer to effectively resolve formal complaints and disputes. The Political Groups also operate their own procedures for ensuring standards are upheld.

While much of this may not be amenable to change, the Panel noted that there were very few opportunities for Members to work across party lines or even meet outside of formal meetings in Croydon.

The best performing councils are able to identify when to set aside political differences and work on a constructive basis to support the work of the council, and to deliver outcomes for the community as a whole. In these councils, councillors from all political groups generally agree on the overall priorities for the area, with debate focusing on how best to deliver them.

How councils work: Roles and working relationships: are you getting it right? Audit Scotland, 2010

The Member survey (Appendix B, ref no. 3.4) suggested that Cabinet Members were not seen to welcome views from backbench councillors from either party and were thought by some to be too close to officers, narrowing the scope of the advice available to them. Backbench and opposition Members felt their legitimate roles were consistently not being recognised by lead Members and that more systematic communication and inclusive spaces needed to be created by the leadership in which to provide information and allow for issues to be debated.

All Members should be able to represent their communities effectively in the decision making process and be afforded respect at all times. The recent report by the Committee on Standards in Public Life provides further detail on fostering an ethical culture that could help to bridge the political divide, encourage more debate and support better behaviours when political debates take place.

6.2

Political groups should set clear expectations of behaviour by their Members, and senior officers should maintain effective relationships with political groups, working with them informally to resolve standards issues where appropriate. [...] Expected standards of behaviour should be embedded through effective induction and ongoing training.

Local Government Ethical Standards – A Review by the Committee on Standards of Public Life, 2019

Member - officer relations

The findings from the Member engagement indicated that the two-way working relationships between councillors and officers across the Council was often inconsistent and required improvement in some areas. Members suggested that the relationships between senior directors and councillors had weakened over time. Members also believe that tensions between Members and officers and perceived ‘officer power’ could get in the way of change.

A tension between officers and Members is at the heart of local government constitutional arrangements. It is a tension that if managed well will drive innovation and improvement.

The Panel heard in its expert witness session (Appendix B evidence ref no. 6) about the difficulties that can arise because of an unbalanced relationship, where either the political leadership steps into officer space or vice versa.

‘The distinction between policy and management seems clear enough on the broad view, but it is notoriously difficult to draw at the margin’.

Moving Forward – the report of the Commission of Local Government and the Scottish Parliament, Scottish Office, 1999.

Croydon Council appears to follow best practice in terms of keeping governance related processes, procedures and controls up to date to ensure the right relationships can be maintained. This includes annual review of the Council’s Constitution, updating schemes of delegations, having protocols on Member officer relations and conduct, publishing an annual governance statement and so on. This handle on formal processes and documents helped to create a good framework for governance.

However, such procedures and processes only work if they are known and followed. The Panel found that awareness of and communication about those processes is at best mixed and the principles contained within them are not embedded in daily working practices. As such the Panel’s view is that even though standards as well as key roles and responsibilities had been written into the Constitution, to guide the way Members and officers interact, more needed to be done to:

- i) ensure they still meet the Council’s ambitions;
- ii) raise awareness of the standards to ensure they are embedded in day to day operations; and
- iii) manage relationships by proactively working with individuals who do not uphold those standards.

Training for officers on political sensitivity and the role of Members would also help.

Councillors and officers are indispensable to one another and mutual respect and communication between both is essential for good local government. Together, they bring the critical skills, experience and knowledge required to manage an effective council. Councillors provide a democratic mandate to the council, whereas officers contribute the professional and managerial expertise needed to deliver the policy framework agreed by councillors. The roles are very different but need to work in a complementary way.

Councillor workbook: councillor/officer relations, LGA, 2018

6.2

The role of the political and managerial leadership in maintaining the right culture

An ethical culture requires leadership.

Given the multi-faceted nature of local government, leadership is needed from a range of individuals and groups: an authority's standards committee, the Chief Executive, political group leaders, and the chair of the council.

Local Government Ethical Standards – A Review by the Committee on Standards of Public Life, 2019

The Panel is confident that both organisational and political culture are catalysts for change and key to improving participation in the decision making process. As such it is essential that the significance of culture as a potential barrier to participation is not underplayed. A mechanism needs to be found which allows the Council to examine its own culture and have honest conversations to assess how relationships are working.

Maintaining the right culture requires ongoing work, periodic review and a long-term commitment. This means different stakeholder groups actively leading by example and working together proactively.

Officer leadership needs to ensure it has a good working relationship with the political leadership and that council staff have a good understanding of and respect for the different roles of Members.

There is a need for political leadership to be more proactive in managing disputes. There also needs to be greater opportunity for information sharing and the provision of a forum to allow for influential debate.

The very best councils review councillor/officer relationships on a regular basis to ensure they take account of any issues or developments, leading to continued good governance within the council

Councillor workbook: councillor/officer relations, LGA, 2018.

The current administration's commitment to undertaking the governance review demonstrates support to proactively assessing governance. The leadership will need to carry this forward and ensure identified improvements can be implemented effectively by embedding good governance in all its activity and utilising existing tools, mechanisms and commitments.

The Panel commends the Council for its commitment to inspiring a culture of trust, inclusivity and transparency through its **Workforce Strategy (2019)**, including a commitment to providing the tools and processes to optimise effective collaboration between Members and officers. Looking forward, practical steps need to be identified which will deliver upon the ambition of the Workforce Strategy, providing a link between the organisational and political cultures, ensuring that officers and Members are better able to work together.

Recommendation 6:

Ensure the Council maintains a culture that enables effective governance by periodically reviewing and monitoring how Members work with one another and how Members and officers work with each other, and considering where improvements might be made including:

- Clarifying the different roles of Members and officers, including statutory officers and their relevant rights and responsibilities;
- Agreeing a set of high behavioural standards for decision making meetings; and
- Enhancing the understanding and awareness of the governance framework, the Constitution, codes of conduct and Member/officer protocols.

6.3

RECOMMENDATIONS - THEME 3**Members have the required information and tools****Desired outcome:**

All Members, including Members of the opposition and backbench Members, are given timely support and information that enables them to perform in their respective roles.

Access to information (also discussed in **Recommendations - Theme 1** on page 22 of this report) and administrative support for Members are interlinked themes which the Panel identified as playing an important role in helping Members to engage effectively with the Council and residents. The survey found that many Members were not satisfied with their current level of access to information on both strategic and local decision-making (69% of Members scored negatively in the Member survey, Appendix B, ref no. 3.4). As such this meant that councillors did not feel as able to represent their residents or influence decisions on their behalf as they might have done given the right information and support.

Ward Councillors and Community leadership

In the Member survey, Members said that their role as community leaders and ward councillors was often overlooked by officers which resulted in Members not being informed of wider council activity and of particular importance, matters affecting their wards. This prevented councillors from being visible to residents in their wards or providing support for the Council's initiatives, in addition to not always knowing what was happening in their communities.

On the whole Members believed that each individual councillor's insight and expertise, including their knowledge of local areas, was being underutilised by officers. Members are often able to offer an understanding of local issues and potential solutions that can enable officers to work more effectively in different neighbourhoods. Councillors have often been involved with their communities for many years and as such have built up store of knowledge rarely matched by officers.

It should be emphasised that Members felt that good practice does currently exist, with the teams managing highways and park events praised for their communication. The Council needs to ensure that communication with Members is more coherent and consistent across different departments.

It was recognised that officers, other than specialist governance officers and the most senior officers, now have much more sporadic contact with elected Members (partially due to the Leader and Cabinet Model) and without encouragement are unlikely to think of the implications for Members when undertaking their roles.

No one has a more important role than the ward councillor in ensuring that local democracy works and residents believe in it. They are the bridge between a community and its council.

A councillor's workbook on being an effective ward councillor, LGA, 2017

Some citizens are keen to be self-organising and to make use of new technologies to do so, but these capacities are unevenly distributed and councillors need to continue to provide a voice for those who struggle to represent themselves.

The 21st Century Councillor, University of Birmingham, 2016

Local decision making and council led initiatives relating to ward matters are rarely political or sensitive in nature. As such, there is no reason why officers could not be more proactive in engaging with Members or sharing information about doorstep issues. This could be improved by ensuring the Council's guidance and procedures relating to engagement in wards made explicit the need to involve Members and emphasised the role of ward councillors.

Recommendation 7:

Reinforce the role of ward councillors as community leaders by ensuring that Members are kept informed and engaged on matters affecting their wards and are always aware of official council engagements and events.

Responding to Member enquires

When it came to responding to resident queries and complaints, Members said they often felt ineffective, particularly as residents often only got in touch with a local councillor as a last resort on matters where a resident had an issue for a prolonged period but had been unable to resolve it directly with the Council.

Over half (53%) of councils said that the current financial situation in local government is negatively affecting their relationship with residents. From staff cuts leading to slower response times to anger over bins and potholes, councils [...] are struggling to match rising public expectations with less money.

State of Local Government Finance Survey 2019, LGiU/MJ, 2019

6.3

Some Members advised that they did not use the council's Member enquiries system as they lacked confidence in the system to respond in a timely and efficient manner. In particular, having to wait up to ten working days for a response did not allow for effectively dealing with urgent matters. Instead the system was often circumvented by contacting specific officers directly. It was also felt that the system did not allow Members to track and review the status of their queries effectively.

The Chief Executive has, in a meeting with the Panel assured us she is keen to improve this situation without waiting for the Panel's final report.

Member development

A range of training is available to Members of the Council including induction training focussed on helping new councillors settle into their role. The content of the training sessions varies between those focussed on improving Members understanding of a particular issue or service to others aimed at helping councillors develop the skills required for their role. In addition to training provided in a workshop or seminar format there is also the opportunity for individual Members to attend external training courses.

Members' training is overseen by the Members' Learning and Development Panel who provide guidance on the training commissioned, encourage the uptake of training amongst Members and monitor the training budget. In 2019 the Panel launched the first of what is planned to be an annual survey of Members to gain a greater understanding of their training needs to inform the development of future training programmes. 23 Members responded to the survey.

On average, internal training sessions attract nine Members and 18 Members have requested external training since 2018.

The Panel has been told by Members that the current approach doesn't work. Take up of development opportunities is poor across different topics, the Panel meets too sporadically and the Member development budget is underspent.

From the governance review survey responses, a number of Members suggested more and better Member training on Croydon specific topics such as the remit of different departments, who does what, who to contact, complex policy items, the budget as well as legal and statutory requirements. It was also suggested by some that participation for training events was often low, unless they were legally required, due to the number of Members that had either been a councillor for many years or worked full time.

Aligning Member training with officer training was also seen as a possible option on some subjects which the Council is recommended to explore.

Finding information and receiving advice

The Council has a lot of information, some of which reaches Members in a timely way but much does not. It could be difficult to navigate the various sources of information available, with Members indicating that access to information has got worse rather than better over time. Members believe that there is less performance related information available to them now than in the past. The search facility on the council website was seen as ineffective, making it difficult for Members and residents to find the information they require. When Members do ask for information, some receive an inconsistent response.

The Panel considered the introduction of political assistants as one possible way to help improve the current access to information. This was not seen by the Panel as a priority or an expenditure that could be justified, and was ultimately dismissed as being an option in the near future. The Panel did however conclude that the Council needed to be clearer on the information and advice that officers could provide to Members and in what instances and capacity they should be able to advise Members and groups on matters such as policies, strategies, performance or upcoming decisions. The Panel also felt that the introduction of a comprehensive forward plan would naturally result in Members receiving more consistent and timely information.

It was also recognised that in order to empower the Shadow Cabinet to perform their role effectively the Council should ensure that there are mechanisms in place to keep them informed of the council's business. This should include invitations to relevant events and engagements and informing them of key developments relating to their portfolios.

The interaction councillors have with the managerial and administrative staff of the council is shaped by the type of councillor they are – leading Member, majority group Member, opposition Member for example; by the nature of the subject matter being explored – strategic policy issues, casework, ward based concerns; and, by the setting in which the interaction occurs – formal council meeting, informal discussion, or a forum which is external to the council.

The Voice of the Councillor, De Montfort University and Municipal Journal Councillor Commission, 2017

6.3

IT and digital issues were highlighted by Members as another area where more consistent support was needed. The main issues mostly related to using the mod.gov app and ensuring Members' devices worked with the council's applications and systems. Resolving technical issues could often be difficult as it was not clear who should be approached. As mentioned elsewhere in this report, the Panel hoped the Council could be more explicit in detailing how Member IT support could be improved through the implementation of the Digital Strategy and the widening of Member support (detailed below).

Improved Member support

At present the only direct financial support to all Members is limited to Members' allowances, a small Member learning and development budget and the provision of a smart phone and Office 365 account. The Leader, Cabinet and Mayor's Offices receive additional administrative support.

It is in the distinction between the leading Member and other councillors that the imbalance in resources available to support the work of the councillors, within the council, is also evident, with leading Members receiving the most support for their work. [...] imbalances in power and resources can be solved through cultural, structural and procedural change in local government without changing the reality of the different political roles and responsibilities with councillors of different types.

The Voice of the Councillor, De Montfort University and Municipal Journal Councillor Commission, 2017

Funding reductions coupled with a rising demand for services had impacted upon the council's ability to support all Members. However, the Panel noted that such support brought significant benefits and believed that a dedicated Member support function could make the Council more efficient in dealing with Member queries and the issues listed above. Such support could focus on proactively working with departments to identify and share relevant information with Members, while also revising the Member enquiries system to ensure it worked better for Members. It could also agree procedures for dealing with urgent matters as well as reviewing information to identify reoccurring issues raised by Members, and to proactively put in place solutions aimed at decreasing these over time.

The Panel recognises that Members approaching multiple officers for information to help resolve their issues is time consuming for Members as well as officers. We believe that creating a support function focused on working with Members as the first point of call would be more efficient, less frustrating, and provide clarity. If established, a dedicated Member support function could also focus on resolving wider issues, such as supporting the implementation of the governance review recommendations and building Member and officer relationships by developing a greater understanding and appreciation of the different roles and effective working relationships.

The Panel recognises that more detailed proposals for the creation of this function would need to be refined and tested with officers in terms of practicality and financial impact.

Recommendation 8:

Support all Members in fulfilling their roles, particularly by:

- a. Agreeing systematic ways that officers communicate information and providing advice that helps Members in different roles to understand and influence the delivery of council services, including information relating to strategy and policy delivery and service performance;
- b. Considering if the reintroduction of dedicated support for all elected Members would be the most effective way of coordinating Member support activities;
- c. Enhancing the Members' enquiry system to provide a more agile and responsive service that fully supports Members in handling case work;
- d. Ensuring that there is senior political buy-in to develop the Member learning and development offer, making it more effective in meeting Members' needs and improving the induction programme for new councillors;
- e. Developing a training programme that helps all officers and Members better understand respective roles, the decision making process and working in a political environment; and
- f. Considering the enhancement of ICT support for Members.

6.4

RECOMMENDATIONS - THEME 4

Structures to support participation

Desired outcome:

The Council's decision making structures are fully supportive of opportunities for Members and residents to participate.

We were tasked with assessing whether different structural arrangements could enhance the quality of decision making and improve Members' participation and to consider the perceived merits and shortcomings of existing arrangements.

Legislative background

The Local Government Act 2000 ("the 2000 Act") introduced a separation of powers into local government for all but the smallest local authorities with the aim of making council decision making efficient, transparent and accountable. The 2000 Act required most local authorities to change governance arrangements from the committee system to an executive-scrutiny model.

The Local Government and Public Involvement in Health Act 2007 ("2007 Act") restricted the governance options available to local authorities. The 2007 Act required the Council to introduce a choice of two models: a directly elected mayor or a new style "strong" council leader.

The Localism Act 2011 increased the governance options for local authorities as follows:

- Executive arrangements (leader and cabinet or directly elected mayor and cabinet);
- A committee system; or
- Prescribed arrangements. Councils could propose their own system of prescribed arrangements, which required approval of the Secretary of State. Regulations or detailed criteria for such an alternative governance structure have not been issued although it would at least need to be an improvement on the current arrangements, demonstrate "efficient, transparent and accountable" decision-making and be appropriate for all other councils to consider adopting. To date no councils have proposed such arrangements.

Outlined below are the three main models of governance available for councils to choose from:

- **Leader and Cabinet System.** The decision-making structure operated by most councils and the model currently run by the London Borough of Croydon. The Leader is elected by Council for a term determined by Council and leads the Cabinet. Councillors in the Cabinet are appointed by the Leader.

Some council leaders delegate their executive decision making powers to the Cabinet collectively and individually. Scrutiny holds the Cabinet to account. Some non-executive functions are reserved to committees (such as Planning and Licensing). The appointment of at least one overview and scrutiny committee is required under this system.

- **Directly elected Mayor and Cabinet system.** A directly-elected Mayor is elected by local residents and holds office for four years. The Mayor is in addition to the elected councillors. A Cabinet is appointed by the Mayor who may (or may not) delegate decision making powers. Some non-executive functions are reserved for committees (such as Planning or Licensing). The appointment of at least one overview and scrutiny committee is required under this system.
- **Committee system.** Decisions are made by committees, which comprise Members from all political groups. Committees receive briefings and commission reviews to develop policy. The Council appoints the committees and sets their terms of reference. Overview and scrutiny is optional under this model with certain powers reserved to overview and scrutiny (such as crime and disorder scrutiny) exercised by another committee.

The Panel did not consider the Directly Elected Mayor as this was not within the scope of the Governance Review set by the Council.

The Panel did however consider the Committee Model of governance, a change that would require a formal Council resolution. It also considered options for so-called "hybrid" arrangements that did not require a formal change of governance but sought to bring together the positive elements of different models. The hybrid model typically retains the leader and Cabinet system but builds a layer of advisory committees to cabinet or significantly enhances the role of scrutiny in making recommendations to cabinet.

In its considerations of the effectiveness of structures, the Panel noted that although Croydon operates a Strong Leader and Cabinet Model, in practice the Leader currently makes very few decisions and delegates most decisions to the Cabinet or officers.

The Committee model

The Panel considered the possibility of moving to a Committee model of governance as required by its Terms of Reference. Evidence was heard from local authorities operating the model, including a visit to the London Borough of Sutton, along with other evidence provided by CfPS (Appendix B, evidence ref no. 4-6).

6.4

The Panel noted that while Sutton operated a de facto committee model of governance, they had fewer meetings than Croydon and the cultural aspects, such as how information was shared through informal arrangements, was much more important to inclusive decision making.

The Panel recognised the merits of the Committee model in terms of its apparent collective and inclusive nature. It also noted the merits of the Leader and Cabinet model as being more efficient and transparent in terms of decision making accountabilities, especially within a large authority where a need for timeliness and the high volume of decisions required a streamlined approach.

In terms of drawbacks of the two models, the streamlined nature of the Leader and Cabinet model inevitably resulted in the exclusion of non-executive Members to varying degrees. The drawbacks of the Committee model mainly related to the prolonged decision making process. A Committee model would also not necessarily address Members' biggest complaint about not seeing papers early enough in the process to be able to influence the outcome.

The Panel agreed that it would not recommend a move to a Committee model. Based on the evidence gathered, such a move would be a lengthy and expensive process and would not guarantee the changes that Members wanted to see.

The Panel believes that better outcomes could be achieved by introducing a hybrid arrangement within the present Leader and Cabinet model. Implementing this change would be both quicker and less costly, and more in line with the ambitions and improvements desired by Members and residents.

No one governance system is intrinsically better than another and no system is more or less expensive to operate; however some systems allow more Members to be directly involved in voting on decisions. It is important to note that activity at committee level is not the same as Member involvement in policymaking. Member involvement in policymaking is a longer-term, more involved process and can happen under any governance option.

Rethinking governance Practical steps for councils considering changes to their governance arrangements, CfPS, 2014

Hybrid arrangements - rationale and proposals

The Members survey and workshops showed that Members are of the view that decision making is carried out by a small number of councillors and senior officers to the exclusion of the majority of councillors.

Introducing hybrid arrangements would offer greater opportunity for the participation of backbench Members in important decisions, providing Cabinet Members with a variety of perspectives, resulting in better decision making for the borough. This approach would also support less silo working from Cabinet Members and help to give residents a better insight into council decision making processes. Furthermore, it would provide a significant opportunity for additional party political debate than currently available at either the Cabinet or the full Council meetings.

Many councils are making informal changes to their governance arrangements including tightening up existing processes, making sure that avenues exist for all Members to get involved in the policy development process [...] and putting in place consultation arrangements for particularly contentious decisions.

Rethinking governance Practical steps for councils considering changes to their governance arrangements, CfPS, 2014

The key benefits of the hybrid model are:

- Increasing the visibility of decision making and raising the level of openness by considering decisions earlier in the process through debating selected future Cabinet Member decisions in public
- helping with collective Cabinet consideration of significant decisions and backbench inclusiveness in discussions
- defining the legitimate role of backbench and opposition Members, and allowing for more constructive political debate to take place
- giving speaking rights to residents, allowing for consideration of their views
- increasing the Council's capacity and ability to review significant decisions before they are taken by debating decisions, based on the forward plan
- being able to consider matters of policy and performance and undertake forward looking activities to suggest to the Cabinet areas of focus for future decisions
- assisting with improved decision making and oversight by increasing the quality of decision making reports

Such committees do not change the formal decision making process (decision making power is retained by the Leader and Cabinet) other than where the Council chooses to enshrine the new arrangements within its Constitution and schemes of delegation.

6.4

The Panel also notes that there are risks in establishing and running new committees in an already busy structure and without additional resources. To mitigate this, the Council should in due course review other formal meetings to ensure the new meetings align with the existing structure and establish whether other existing committees can be streamlined to release necessary resources to support these new committees.

As with the current structure, which attract variable levels of interest, the effectiveness of the new advisory committees in attracting Member and resident participation and improving quality of decision making will need to be monitored and reviewed to ensure they meet the intended outcome.

Next steps

If the Council accepts the Panel's recommendation, the Panel is of the view that the formal arrangements for establishing the new hybrid committees, such as necessary amendments to the Constitution and appointments of Membership, should take place at June 2020 Annual Council meeting.

The first set of committee meetings would then be scheduled to take place later in the year, at a time when those can be reasonably accommodated.

Detailed scoping is needed following the conclusion of the Governance Review Panel to agree the operational arrangements for the committees. To support this process, the Panel has included some proposals relating to chairing, membership, terms of reference etc. in Appendix C.

For the purpose of this report, the Panel refers to the new committees as Cabinet Member Advisory Committees, but the name is to be agreed by the Council. The Panel proposes that each committee is chaired by a Deputy Cabinet Member, vice chaired by both a majority and minority group Member, and that Cabinet Members are standing attendees but not members of these committees to allow more space for backbench representation.

The majority view in the Panel is that four advisory committees should be established and each should meet on average four times a year. Should this proposal be accepted by Council, it would mean an additional 16 meetings need to be resourced.

The Panel appreciates that the ideas set out in the Appendix C will need to be tested with all Members and detailed consideration finalised and agreed.

Current structures and meetings

The Panel noted that views on the existing structure were varied and that, alongside testing of earlier participation of decision making, the Council should consider improvements to the existing structure. Although the Council is relatively open in terms of time allocated to Member and resident participation at meetings, these opportunities are often at the end of the process when little influence or change can be made.

Cabinet Meetings

Cabinet meetings were not viewed positively by many Members (CfPS Member survey report, 2019). With regard to the way Cabinet meetings are currently conducted, 63% of Members rated it negatively in terms of its effectiveness. In terms of what could be done differently, a number of people called for more opportunity for real questioning and debate of options to avoid it feeling like a 'rubber-stamping' exercise. The Panel believes that introduction of Cabinet Member Advisory Committees mentioned earlier responds to these concerns.

Scrutiny Committees

Scrutiny scored highly in the Member survey and has potential to improve its effectiveness further if it operates in line with the new statutory guidance ([Overview and scrutiny: statutory guidance for councils and combined authorities, 2019](#)) and shifts its focus to undertake more pre-decision scrutiny. The Panel was told that scrutiny was unable to perform this role effectively because it did not receive information about upcoming decisions early enough. It has also been reported that some Members and officers do not engage with the process proactively.

The assessment of scrutiny by Members was positive and the Panel didn't spend much time on considering improvements to scrutiny as a result. However as the Panel reached a conclusion regarding the introduction of hybrid arrangements it recognised that this will inevitably impact upon scrutiny. The Council will need to consider how advisory committees and scrutiny committees will interact and how to ensure that duplication is minimised.

6.4

A central theme of the [new guidance on overview and scrutiny in local and combined authorities published by the Ministry of Housing, Communities and Local Government] is the importance of organisational culture and a commitment to scrutiny across an authority, not just amongst those Members and officers with a scrutiny role.

Creating a challenge culture? New statutory guidance on overview and scrutiny, LGiU policy briefing, 2019

The Panel feels that the scrutiny and advisory committees will be able to retain two distinct roles. Scrutiny will focus on ensuring the right process is followed when proposals are being shaped, with particular regard to issues such as evidence gathering and consultation with the right stakeholders. As scrutiny is a non-political forum it cannot provide an opportunity for political debate or the same level of political challenge and active involvement of Cabinet Members, which the advisory committees will be able to accommodate.

When these new committees begin to operate, these assumptions will need to be tested. The Panel sees it as imperative that following a full year of operation the Council reviews whether enhanced pre-decision scrutiny and Cabinet Member Advisory Committees can co-exist and have distinctive, recognisable roles. The effectiveness of both should then be evaluated as a collective and on their individual merits, in terms of inclusiveness and Member and resident participation.

Other existing committees and bodies

When questioned about the effectiveness of the formal and informal advisory bodies that influenced executive decision-making, Members highlighted that some Panels were more effective than others, with varying limitations in relation to transparency, influence and wider involvement. Some Members felt that greater weight should be given to their advice, while several Members were unsure how the advisory bodies worked and commented that clarification was needed on the scope of their roles and remit.

The panel recognises that as the new committees are tested and aligned within the current structure, some of the existing bodies could potentially be scaled down, abolished or have their business transferred to the new committees.

The Council currently has a large number of meetings that it expects Members to attend and officers to prepare for, making it logistically difficult to accommodate an extra cycle of meetings in the diary.

It is estimated that the Council on average organises around 200 meetings annually that elected Members attend. This includes statutory, executive and non-executive committees (listed in the table below) as well as the appointment of Members to a number of non-statutory, discretionary, thematic Panels.

Cabinet	Council & Regulatory	Scrutiny
Cabinet (10)	Council (7)	Scrutiny and Overview (8)
Street Lighting Joint Committee (1)	Appointments (8*)	Children and Young People (7)
Informal Cabinet (10)	Corporate Parenting Panel (6)	Health and Social Care (7)
Safer Neighbourhood Board (5)	Cycle Forum (4)	Streets, Environment and Homes (7)
South London Waste Partnership (4)	Ethics (3)	Task and Finish Groups (3*)
Traffic Management Advisory Committee (5)	General Purposes and Audit (4)	Joint Health Scrutiny (3)
Health and Wellbeing Board (4 and 2 workshops)	Licensing (7)	Learning and Development Panel (4)
Adult Social Services Review Panel (4)	Licensing Sub-committee (8)*	Mayor's Charity Board (4)
Public Transport Liaison Panel (4)	Mayoralty and Freedom Sub (2)	
Bandon Hill Cemetery Joint Committee (2)	Pension Board (5)	
	Pension Committee (6)	
	Planning (22)	
	Planning Sub-committee (14*)	
	Tenants and Leaseholders Panel (4)	
51	100	43

*average

6.4

Improvements to the Council meetings and Planning Committee

In response to the concerns of Members, the Panel also focussed specifically on the Council meeting and the Planning Committee.

The Council meeting

The Members’ survey identified the Council meeting as an area where councillors were particularly unhappy, scoring the lowest out of all meetings in terms of effectiveness (80% of Members scored Council meetings negatively, Appendix B – evidence ref no. 3.4). The CfPS informed the Panel that this was common at councils across the country, as Council meetings were generally the most political meeting and had the least amount of formal decision making to undertake.

The Panel commissioned a cross-party pairing to prepare the initial proposals to amend the running of the Council meeting, which aims to improve its effectiveness. The proposals that were arrived at are based upon a number of principles, namely:

- That Council’s primary purpose is to transact non-executive business, and as such any formal decisions to be taken by the Council should be prioritised on the agenda.
- That Council is also an opportunity for backbenchers and the opposition to question the Leader and Cabinet.
- That Council should provide a forum for as many elected Members as possible to make contributions.
- That while there should be an opportunity for residents to ask questions at Council, residents should be encouraged to take the opportunity to ask questions and present petitions at the new Cabinet Member Advisory Committees so that they can contribute prior to decisions being taken and have a greater chance of influencing those decisions.

Timetabling Council Meetings

The Panel heard concerns raised regarding the balance of Council meetings over the course of a municipal year. The current annual timetable for Council is as follows:

Date	Meeting	Gap
Late January	Ordinary Council	1 month
Late Feb/Early March	Budget Council (fixed)	1 month
Late March/Early April	Ordinary Council	1 month
May	Annual Council (fixed)	2 months
Early July	Ordinary Council	2 months
Early October	Ordinary Council	3 months
Late November/Early December	Ordinary Council	1 month

Based on the above, it is recommended that consideration be given to bringing the October Council meeting forward to September. This will require detailed scheduling in order to avoid clashes with Cabinet and national party conferences.

6.4

Council meeting agenda proposals

On the basis of those principles, a revised standard agenda for Council is proposed for consideration by the Council as follows:

	Item	Notes
1-5	Apologies / Minutes / Disclosures / Urgent Business / Announcements	N/A
6	Public Question Time [30 mins to be potentially reduced to 15 mins only when Cabinet Member Advisory Committees are operational and public questions at those committees tested.	<ul style="list-style-type: none"> - No reduction in time until the impact of the new opportunities for public questions at Cabinet Member Advisory Committees has been assessed - No changes proposed to current rules on putting questions
7	Local / Borough Wide Petition Debate [if any - 10mins / 20mins]	<ul style="list-style-type: none"> - No changes proposed to existing rules on borough wide or local debates
8	Recommendations from Cabinet & Committees [if any]	<ul style="list-style-type: none"> - 3 min introduction per recommendation - Go straight to the vote unless deferred for debate
9	Recommendations Deferred for Debate [if any]	<ul style="list-style-type: none"> - Reduce speaking to two speakers per side at 3 mins each - Vote at the end of each debate
10	Backbench Matters [15mins]	<ul style="list-style-type: none"> - Three per ordinary meeting - Only open to councillors that are not a Member of Cabinet or Shadow Cabinet - Can raise broadly any business, though may include reference to their use of ward budgets in their ward - 3mins per speaker. 2mins per Cabinet response
11	Leader and Statutory Deputy Leader Question Time [25 mins]	<ul style="list-style-type: none"> - Leader 2 mins announcements - Opposition Leader to ask first question - Statutory Deputy Leader 2 mins announcements - Opposition Deputy Leader to ask first question - Questions open to the floor alternating minority then majority
12	Cabinet Questions [80mins]	<ul style="list-style-type: none"> - Two pools of 40 mins - 1st Cabinet Member 2 mins announcements - 1st Shadow Cabinet Member to ask first question - 2nd Cabinet Member to make 2 mins announcements - 2nd Shadow Cabinet Member to ask first question - And so on then questions open to the floor alternating minority then majority
13	Council Debate Motions [24 mins plus votes]	<ul style="list-style-type: none"> - Currently no changes to existing format

ENDS

6.4

Based on a presumption of there being three recommendations from Cabinet, two of those being deferred for debate and there being a borough wide petition debate, the above agenda would run until 9.57pm once public questions has been reduced to 15 minutes. On this basis, there should be enough time at most ordinary meetings to absorb additional, unforeseen items of business.

The recommended changes to Council also include the following proposals for non-standard agenda items:

- That the Constitution be amended to clarify that any items presented directly to Council for decision should have a debate consisting of two speakers per party at up to three minutes per speaker prior to being put to the vote
- That any Maiden speech that is to be taken utilises one of the speaking slots under the new backbench matters item.
- That Valedictory speeches be discontinued.
- That annual reports be presented to Annual Council where they are statutorily required to be presented to Council. Any other annual reports to be presented to the relevant Cabinet Member Advisory Committee.
- That the Constitution be amended to allow Annual Council to directly appoint Chairs and Vice-Chairs of Committees.
- That questions to Cabinet Members submitted since the last Council meeting be circulated with each Council agenda, to increase visibility of Member Questions.

Next steps

As a number of changes to the Council meeting are interdependent upon new opportunities being created by the Cabinet Member Advisory Committees and the proposals set out in this section need to be further tested with all Members and agreed cross-party, the Panel recommends that the responsibility of finalising the Council meeting proposals is given to the Implementation Working Group as detailed in the Taking the recommendations forward section of this report (p56).

The initial proposals were tested in the all Member discussion on the 30th January 2020 and the record of comments and ideas raised can be found in Appendix B (evidence ref no. 13-13.1).

Planning Committee

The Planning Committee is one of the Council's non-executive regulatory committees. It has delegated decision-making powers and reports to Council. The Council's Constitution sets out the procedure for the operation of the Planning Committee and its Sub-Committee. Planning decisions are made by the Committee and Sub-Committee in accordance with relevant legislation and local, regional and national planning policies. Planning policy is developed outside of the planning committee.

The National Planning Policy Framework (NPPF) was published in March 2012 and revised on the 24th July 2018. It sets out the government's planning policies for England and how these are expected to be applied.

In London, the Mayor is responsible for producing a strategic plan for the capital. Local Plans developed by each local planning authority in London need to be in line with (in 'general conformity' with) the **London Plan** that guides decisions on planning applications by London borough councils and the Mayor.

Local Plans are the key documents that set out a vision and framework for the future development of the area, engaging with their communities in doing so. In Croydon, all planning applications are decided using the policies in the **Croydon Local Plan 2018**.

In 2018 Croydon Council received 2,477 planning applications and made 2,274 decisions, 96% of those decision were delegated to officers and 4% were made by the Planning Committee and Sub-Committee. 87% of applications were granted overall.

Planning was the committee that Members had the greatest knowledge of (92% compared to the second choice of licensing with 56%). Planning was also the most contentious, attracting the most negative comments in the resident and Member surveys and workshops, with concern expressed about the transparency of decision-making and trust in the process. There were a number of comments and concerns that alleged that planning was too politically influenced and that the input of residents did not appear to be taken into account. Area planning committees were proposed by some Members and residents as an alternative approach.

6.4

Matters relating to Planning policy are complex and the determination of planning applications can be contentious. The Panel noted that struggling to positively engage councillors, residents and developers in planning decisions was not an issue unique to Croydon, with many local authorities recognising this and some proactively working to improve trust and understanding, often with limited success.

To some councillors planning is exciting and visionary, it is about improving the environment, making places and communities work, a way of securing tangible improvements and investments, of shaping the future, and a mechanism for getting involved in decisions on things that matter to people. To others, it is bureaucratic, confrontational, stifles creativity, and pits neighbours against each other. Some residents fear it, don't trust it, and think it fails them. Some businesses see it as stifling innovation and enterprise.

A councillor's workbook: planning, LGA, 2017

The Panel noted that dissatisfaction with current planning policy appeared to be the biggest issue, mostly in regard to the intensification of residential developments. The Panel had varied views on the policy and its interpretation when determining decisions.

In response to the concerns about the planning process from Members and residents the Panel commissioned a report from the national Planning Advisory Service (PAS).

The PAS report (Appendix B, evidence ref no. 3.8) concluded that, on the whole, the operation of the Planning Committee seemed to be well organised and followed much established best practice. In particular, the meeting itself was believed to be well organised and the public seemed to be able to understand what was happening, thanks to the clear guidance of the Chair and the 'webcasting' facility which helped to explain who was speaking and in what capacity.

Although the PAS report was commissioned solely for the purpose of informing the Panel's work, the Panel saw it as an appropriate course of action to engage key officers and the Members of the Planning Committee to discuss the report's findings and to agree which improvements the Council should plan to take forward.

It was recognised that Croydon's residents, as with so many councils, do not fully understand the workings of planning legislation and the constraints of development control. Unlike developers, the general public engages with planning

applications very infrequently and without advisors to assist them to understand the intricacies of planning policy. The public expect the planning system to be democratic, which it is not, it provides a framework and process to make decisions between public and private interests. For example, residents can assume that because the Council is responsible for planning decisions those decisions can be influenced by the number of objectors. In practice a single objection made on clear policy grounds could have much more impact than a large number of residents objecting without reference to planning policy.

While this is a general problem, the Panel recommends that Croydon can collectively do better. Explaining the policy context and how different planning policies had been weighed in reaching a decision coupled with affording residents better discussion and providing more and better information in a timely manner, could help towards reducing resident frustrations. Ongoing Member and officer training is crucial.

More could be also done to help Ward Members to understand how to effectively object as well as to encourage Members to liaise with residents and resolve issues with developers in the earlier stages of the process. It was believed some resident concerns could be better resolved outside of the Planning Committee meetings. This includes building stronger relationships with residents associations who do generally have a better understanding of the planning system and are well placed to assist less well informed residents.

It was recognised that due to the nature of planning, developing trust and understanding would be difficult to achieve and some proposals for improvements would require additional resources. Nonetheless, it was agreed that it was important for the Planning Committee to be proactive in trying to improve resident and Member experiences with the planning process.

To influence planning policy the Council needs to ensure an effective, cross-party Development Plan process is in place. The Panel noted that, although there are structures in place as part of the consultation process (which have always existed) in the past the utilisation of such forums had met with limited success.

The Panel sees it as a positive development that a recent revision to the Local Plan had prompted the establishment of a cross-party Working Group, with the Panel hopeful that any changes to policy can be debated and agreed through this legitimate forum.

6.4

In regard to proposals to introduce the Area Planning Committee, the PAS report noted that the “style of committee adopted by LB Croydon is by far the most popular format, across both London and the whole of England. [...] In terms of the different format of committee, it must be remembered, that whichever format is chosen, decisions have still to be made on material planning matters and, principally the Development Plan. Hence, both area committees or a central committee should always reach the same decision.”

The Panel concluded that the introduction of Area Planning Committees would not resolve concerns and was not appropriate for Croydon.

The Panel is concerned about reports of Member’s behaviours which, though difficult to objectively capture, has on occasion been likely to contribute to escalating residents’ frustrations and feeling of dismissal. As such the Panel is hopeful the Planning Committee on a whole and Planning Committee members individually consistently ensure they display the standard of behaviour that affords residents a better experience when attending meetings.

Next steps

The Planning Committee and officers expressed a firm commitment to further considering PAS recommendations and to delivering agreed improvements.

Ward Forums / Area Committees

The Panel also considered the benefits of introducing ward forums or area committees as Croydon’s governance was often seen as too centralised. In doing so the Panel considered different approaches other local authorities take and the merit in bringing decision making closer to where people live was acknowledged. However, the Panel did not find sufficient evidence to conclude that such forums should be introduced, as they were sometimes seen to be very formal, council-led and uniform in their approach to engaging residents which may not suit Croydon’s neighbourhoods with very distinct identities and priorities. As outlined in the section on resident participation **Recommendations - Theme 1** (page 18 of this report), the Panel was more in favour of the Council progressing towards a participatory democracy approach to local engagement which was resident and Member driven with bespoke forums focussed on Members and residents working together to resolve local issues.

The Panel noted that as the Council develops its place based approach to service delivery, any associated governance would need to be reviewed periodically to ensure it remained fit for purpose and continued to respond to the needs of local residents. The Panel appreciated that in the future, the introduction of formal neighbourhood forums may be required to allow a more streamlined and clear approach to information sharing and decisions flowing between the town hall and different neighbourhoods, to enable effective and transparent service delivery. As such the Council should periodically review if there is a need to introduce neighbourhood based forums and how this could be achieved in a coordinated and strategic way.

The Panel believes that new structures and forums for engagement need to be tested in terms of their effectiveness and feasibility in the longer term. The Panel commends the Council for undertaking a more participatory democracy approach such as the recently announced citizen assembly on climate change. However, it would be important for any lessons learnt to be recorded from this and for any other future pilots to establish which added the greatest value to decision making in order to be replicated.

Overview of the approach to implementing structural changes

The Council’s decision making structure is not currently seen as being supportive of providing opportunities for participation. Structural change alone however is unlikely to be effective. Any structural change needs to be underpinned by a change in culture which will take time to effect. The Council is recommended to consider taking a phased approach to the introduction of any structural change, testing and adjusting the working of any new and existing structures to ensure that the underpinning cultural change is happening.

In short, the Panel does not recommend a change to the formal governance model, but believes that there is a real opportunity to improve collective decision making by introducing the Cabinet Member Advisory Committees and enhanced pre-decision scrutiny. In doing so it is likely to lead to an increased level of positive participation and improve the quality of decision making.

6.4

It is important to evaluate how things have gone after a year or so, in order to see whether the resources expended in making the change in governance have made the difference. This need not be a complicated bureaucratic exercise – just a short assessment of the position, informed by insight from councillors and any other interested parties. Doing this at the time of council AGM gives the opportunity to make any necessary tweaks to the constitution.

Rethinking governance Practical steps for councils considering changes to their governance arrangements, CfPS, 2014

Key things that need to be considered and be in place to effectively manage structural change include:

- Progress with the other recommendations would ideally come first, but at the very least should be progressed alongside any structural change, particularly those relating to forward planning.
- Detailed scoping needs to be undertaken with officers and Members prior to agreeing any implementation to ensure everybody understands and signs up to the described change.
- Resource implications need to be considered to ensure the Council can support any new structures.
- The Constitution needs to be amended to reflect the change.
- Following the introduction of the new committees, testing their effectiveness needs to take place to ensure they are an improvement and interact well with other structures.

Ensuring the advisory committee meetings are fully embedded and operational within the Council's decision making structure within a couple of years. Progress can be achieved on the format of both Council meetings and the Planning Committee on a shorter timescale.

Recommendation 9:

Ensure the decision making structure fully supports participation by creating more purposeful opportunities for non-Cabinet Members and residents to consider and influence planned decisions before they are taken. Specifically, the Council should enhance the existing Leader and Cabinet model by strengthening the collective Cabinet, establishing the hybrid arrangements which introduce Cabinet Member Advisory Committees, appropriately revising the scheme of delegation and ensuring the necessary changes are reflected within the Constitution.

Recommendation 10:

Improve the effectiveness of Council meetings by reaching a cross-party agreement on desired changes, underpinned by consideration of the principles and proposals set out in the Governance Review report.

Recommendation 11:

Recognising public dissatisfaction with Planning seek to enhance understanding of the planning process by:

- Considering recommendations detailed in the PAS report and ensuring those form a key part of the Planning Committee's journey to improve resident experience when engaging with planning;
- Developing more proactive, cross-party working in the area of policy discussion, setting and revision.

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TAKING THE RECOMMENDATIONS FORWARD

The Panel’s recommendations are a combination of short term, issue-specific improvements, and more ambitious longer-term changes.

If the Council accepts them and is committed to improving the quality of decision making and the level of participation in decision making, it is likely to take at least 12 months to two years of focused delivery to embed these recommendations within the Council’s operations.

Oversight of progress

The Council should establish a Member-led implementation working group supported by officers, to drive and oversee the implementation of the desired changes and report its progress to all Members.

Focused delivery does not necessarily require a large scale programme of work. Rather a shift in mind-set is required to allow greater prioritisation of issues such as Member roles or resident participation and consideration of how the issues raised in this paper can be effectively incorporated into the Council’s existing improvement plans and strategies.

If the recommendations of this report are accepted in March 2020 a demanding yet realistic timeline would require the Council to commit to key milestones as follows:

Indicative timetable for delivery	
2nd March 2020	The Council approves the Governance Review Recommendations and establishes the implementation working group.
Mar – May 2020	The Group works on options scoping and action planning that details how the Panel’s recommendations are proposed to be implemented, including necessary Constitutional amendments.
In June 2020	The Council formally establishes the new Cabinet Member Advisory Committees (constitutional changes approved) and appointments are made to their Memberships. Action plan is noted by the Council.
June 2020 to June 2021	The Working Group oversees implementation and reports on progress. Most recommendations requiring proposals scoping and one-off improvement / development delivered.
By June 2023	All recommendations fully delivered and the Council to receive a report on improvement implementation including delivery against measures of success.

The working group would oversee the delivery of detailed implementation plans approved by Annual Council in June 2020. From July 2020 onwards, the working group would meet as necessary to receive updates on implementation, retaining overall accountability for its timely delivery and resolving any issues that may arise. It would continue to be supported by a Project Manager.

Costings

In its terms of reference the Panel was asked to consider the cost of any recommendations.

This has been difficult to complete in the time available and the cost of each recommendation individually is difficult to establish without further work being undertaken.

However, the Panel appreciates that in the first few months, as the Council begins to consider practical ways of implementing the recommendations, the cost will mostly be associated with the time of the leadership team and officer support to scope out proposals in areas highlighted in this report.

Following the initial scoping phase in March till June 2020, the Panel believes that most recommendations can be delivered within current resources and should form part of the Council’s improvement journey.

The areas where the Panel anticipates the need for short term additional funding are:

- Introducing Member support function / more focused Member support (if feasible and agreed by Council)
- Implementing changes to structures and delivery of one off improvements & options appraisals
- Project management

There will also be an increased burden across departments in preparing reports and attending new committees as well as undertaking actions following meetings, especially in the transitional period where a degree of duplication is likely.

In terms of any changes to structures the transitional period will require a focused resource to manage these including additional operational costs relating to setting up meetings, agenda preparations, as well as likely temporary duplication of decision making processes, checks and balances as the Council tests scenarios of how different decisions travel through the new system.

Rough estimates suggest that the additional cost of the transitional period, including setting up a hybrid model and delivering key improvements, would be in the region of up to £250k per annum over a two year period, dependent upon the options the Council wishes to implement. This is further explained in Appendix D.

The Panel is aware that £250k growth has been subsequently allocated in the 2020/21 budget for the implementation of the findings from the governance review.

It is anticipated that in June 2020 a detailed improvement plan would be presented to the Council and at that point cost estimations would be more precise and finalised for approval.

The key reason for spreading out delivery over two years and taking a prioritised and phased approach to implementation is the need to ensure the necessary resources and support exists and effectiveness is tested. As the Council's resources are constrained, with a target to reduce spending within the Medium Term Financial Strategy rather than increasing spending, the implementation of the recommendations will be challenging.

The Panel wants the Council to think about ways of offsetting the cost by ensuring that the short-term investment in governance will result in a significant, long term improvement with a less bureaucratic and complex structure, where Members and officers feel that all meetings that they attend are purposeful and the Council makes decisions in a more open and inclusive way.

Measures of success

The Panel believes that the measures of success need to be established to allow for an effective review of the progress made in the implementation of the recommendations. It will also allow the Council to articulate the changes it made to fully exploit those areas of governance that encourage participation in decision making.

As most recommendations bring improvements that are qualitative in nature, most measures of success would also be qualitative. Though practical improvements can be described in a quantified way and the Panel would expect outcomes of this review to be articulated via a mixture of qualitative and quantitative measures (some proposed indicators are set out in the Recommendation table section of the report).

The main indicators of improvement should be sought in two to three years' time by developing key measures that reflect on the Panel's five principles (detailed on page 14 of this report) and by capturing residents' views of the changes made, repeating the Member survey and officer engagement.

CONCLUDING REMARKS

The Panel's report concludes that Croydon Council has fit for purpose formal governance arrangements in place and is relatively generous in terms of opportunities to participate in its formal decision making. However written safeguards, rules and standards do not always translate into awareness, consistent practical application or behaviours which one would want to see in an open and participative culture.

Croydon Council unsurprisingly experiences issues similar to other local authorities. When looking at other governance and local democracy reviews, similar themes and issues were brought up. Many local authorities struggle to share information in transparent and accessible ways, to involve the public in decision making, to effectively explain how the Council makes decisions or to engage residents positively in planning decisions.

The Council has plenty of good practice to learn from, but this learning needs to happen more systematically and consistently, with clarity around agreed standards and expectations and better communication. Recommendations set out in this report will help the Council do better.

Croydon is not operating a governance system that is broken or requires radical change, but by implementing the recommendations the Council has a real opportunity to transform the culture of decision making and the way it engages Members and residents.

By embracing a different way of working the Council will be able to go beyond what is required within the decision making framework it operates, and focus on what is evidently important, namely making the Council's governance as inclusive and participatory as it can be. While the Council is willing and indeed aspires to pursue this, such a major change is challenging. If not managed proactively, it will be easy for the Council to revert to its old ways of working. A clear leadership and collective commitment will be essential.

This report concludes a step on the Council's improvement journey and is intended as a guide that flags gaps or areas in need of focus. It is up to the Council to ensure ongoing dialogue and engagement as it makes a collective effort to prioritise and implement agreed improvements. The Council will need to be honest about its progress and reflect on how well the new ways of working are operating, adjusting where necessary to ensure their effectiveness.

If the Council succeeds in its pursuits it will see real benefits in years to come with more active involvement from Members and residents and greater trust and confidence in the decisions the Council makes and services it delivers.

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RECOMMENDATIONS TABLE

OPEN AND ENGAGING COUNCIL

Recommendations for the Council	Priority	Activity type	3-6 months	6-12 months	12+ months	Measures of success (proposed, to be further developed)
<p>1. Put residents at the heart of decision making, building residents' trust in the Council's openness by publishing a strategic statement of how the Council will engage and ensuring that consultation and engagement activities are consistent in:</p> <ul style="list-style-type: none"> • Taking place at the earliest possible opportunity; • Actively listening to residents; • Being clear about their goals and how responses will be considered; • Being joined up and shared across different council services; • Engaging existing community groups and forums; • Following latest best practice to engage with hard to reach and underrepresented residents; and • Being reported to decision makers, clearly detailing how responses have influenced recommendations. 	✓	Ongoing improvement & review			✓	<p>Strategic statement developed, published and communicated</p> <p>Creation of corporate standard (centre of excellence for engagements); library of previous engagement and findings accessible to officers; periodic improvements in coordination and quality reported, including clear links between engagement and decision making</p>
<p>2. Ensure that local communities are at the heart of how council services are delivered in their areas by building on existing work to deliver locality based services and devolution pilots. In doing so develop joined up and innovative options for more neighbourhood based involvement in decision making.</p>	✓	Ongoing improvement & review			✓	<p>Clear organisational buy in and understanding of the Council's direction of travel in regard to place based service delivery and clear communication routes and forums available to Members and communities to raise issues and define priorities in neighbourhoods</p>
<p>3. Provide Members and residents with increased opportunities at an early stage in the process to influence decision making by producing and proactively communicating a forward plan detailing forthcoming decisions, including annually recurring decisions and key strategies and policies, at the earliest possible date and no later than 6 months in advance of the decision being taken.</p>	✓	One off improvement and monitoring	✓			<p>Publication of the forward plan; Month to month improvement in % of all significant, upcoming decisions added to the plan 6 months in advance</p>

Recommendations for the Council	Priority	Activity type	3-6 months	6-12 months	12+ months	Measures of success (proposed, to be further developed)
<p>4. Make decision making more open and transparent for Members and residents, by:</p> <ul style="list-style-type: none"> • Reviewing Croydon’s interpretation of the statutory definition of a key decision and if necessary amending the Constitution to ensure sufficient emphasis on community impact and producing guidance to ensure consistent interpretation and clarity of practical application, including types of decisions that the Council always deems to be key decisions; • Publishing a guide on decision making processes to supplement the Constitution, and setting out how different services can be contacted and the different roles and responsibilities of councillors and key officers, and how Members and residents can participate in the Council’s decision making processes, including when decisions are delegated; and • Ensuring that there is a consistent standard of decision making report writing that clearly details why recommendations are being made, what background papers are available and what influence the views of Members and residents have had on development of the recommendations; 		One off improvement and monitoring		✓		<p>Definition of key decision reviewed and agreed</p> <p>Additional guides and standards developed and communicated</p>
<p>5. Provide Members and residents with more opportunity to scrutinise and challenge decision making by fully endorsing the open data approach to information provision and giving regular progress updates on how the Council is improving its use of digital means to make information available and easily accessible.</p>		Ongoing improvement & review			✓	<p>Periodic progress updates on improvement of information provision to Members and residents; Council can articulate a systematic way in which it shares its information and how digital tools are used to enable this effectively</p>

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CULTURE THAT VALUES DIFFERENT ROLES

Recommendations for the Council	Priority	Activity type	3-6 months	6-12 months	12+ months	Measures of success (proposed, to be further developed)
<p>6. Ensure the Council maintains a culture that enables effective governance by periodically reviewing and monitoring how Members and officers work with each other, and considering where improvements might be made including:</p> <ul style="list-style-type: none"> • Clarifying the different roles of Members and officers, including statutory officers, and their relevant rights and responsibilities; • Agreeing a set of high behavioural standards for decision making meetings; and • Enhancing the understanding and awareness of the governance framework, codes of conduct and Member/ officer protocols. 	✓	Ongoing improvement & review			✓	Member and senior officer roles and responsibilities defined and clarified; communication plans developed and delivered to raise awareness with Members and officers; Member survey indicates improvement in the culture of decision making; periodic review mechanisms established

THE RIGHT MEMBER SUPPORT

7. Reinforce the role of ward councillors as community leaders by ensuring that Members are kept informed and engaged on matters affecting their wards and are always aware of official Council engagements and events.	✓	One off improvement and monitoring	✓			Key information to be communicated with Members identified by each department; Members are systematically engaged and informed of ward matters (standards for timeliness of such communication established)
8. Support all Members in fulfilling their roles, particularly by:		Ongoing improvement & review			✓	Member satisfaction in regard to overall clarity of Member support is reported as improving
8a. Agreeing systematic ways that officers communicate information and providing advice that helps Members in different roles to understand and influence the delivery of council services, including information relating to strategy and policy delivery and service performance.		Proposals and options scoping	✓			Available officer advice is clearly agreed and communicated to Members in different roles; main point of contact for officer advice is established
8b. Considering if the reintroduction of dedicated support for all elected Members would be the most effective way of coordinating Member support activities;		Proposals and options scoping	✓			Proposals are developed and considered by the Council in terms of their feasibility and value for money implications
8c. Enhancing the Members' enquiry system to provide a more agile and responsive service that fully supports Members in handling case work;	✓	One off improvement and monitoring		✓		Proposals for improvements are developed and agreed; % of Member enquiries answered within agreed standard; no. of Members using the system

	Recommendations for the Council	Priority	Activity type	3-6 months	6-12 months	12+ months	Measures of success (proposed, to be further developed)
THE RIGHT MEMBER SUPPORT	8d. Ensuring that there is senior political buy-in to develop the Member learning and development offer, making it more effective in meeting Members' needs and improving the induction programme for new councillors;	✓	One off improvement and monitoring		✓		Increased uptake of Member training; Member Development Panel meets regularly, makes decisions on Member training needs; Reported increased satisfaction with quality of training
	8e. Developing a training programme that helps all officers and Members better understand respective roles, the decision making process and working in a political environment;		One off improvement and monitoring			✓	No. of officers and Members trained in political awareness / Member roles / officer roles / Decision making / report writing etc;; better understanding of Member and officer roles reported
	8f. Considering the enhancement of ICT support for Members.		Proposals and options scoping			✓	Proposals for ICT offer to Members are considered by the Council and approved ahead of next local elections
STRUCTURES SUPPORTIVE OF PARTICIPATION	9. Ensure the decision making structure fully supports participation by creating more purposeful opportunities for non-Cabinet Members and residents to consider and influence planned decisions before they are taken. Specifically, the Council should enhance the existing Leader and Cabinet model by strengthening the collective Cabinet, establishing the hybrid arrangements which introduce Cabinet Member Advisory Committees, appropriately revising the scheme of delegation and ensuring the necessary changes are reflected within the Constitution.	✓	Proposals and options scoping			✓	New committees written into the Constitution by June 2020 Annual Council New committee meetings introduced and current structures reviewed and where appropriate streamlined in 2020/2021 New committee meeting cycle fully incorporated into 2021/22 Effectiveness tested in 2 years from implementation
	10. Improve effectiveness of Council meetings by reaching a cross-party agreement on desired changes, underpinned by consideration of the principles and proposals that are set out in the Governance Review report.		One off improvement and monitoring	✓			Members report improved effectiveness
	11. Recognising public dissatisfaction with Planning seek to enhance understanding of the planning process by: <ul style="list-style-type: none"> Considering recommendations detailed in the PAS report and ensuring those form a key part of the Planning Committee's journey to improve resident experience when engaging with planning; Developing more proactive, cross-party working in the area of policy discussion, setting and revision. 		One off improvement and monitoring	✓			Decreased dissatisfaction reported by Members and residents

APPENDICES

APPENDIX A – PANEL'S WORK PROGRAMME INFORMATION

Overview of key timelines and Panel's activities

The Panel's approach was governed by a work programme developed and agreed in the first stages of the review and detailed below.

Timescales	Activities	Responsible/support
1. Work programme scoping		
October 2018 – January 2019	Development of the work programme	Chair Panel Members Programme manager
	Approval of the work programme	Chair Panel Members
2. Evidence Gathering & Preparation/Desktop Research		
December 2018 - June 2019	Governance Review - case study summaries / comparative information/fact finding	Programme manager
	Government's new statutory guidance on overview and scrutiny - summary	Democratic Services team
	List of potential LA to visit and expert witnesses to invite; development of the stakeholder list; agreement on the communication and engagement approach	Chair Panel Members Programme manager
	Agreement on requirements for expert support and approval of the commissioning approach	Panel Members Programme manager
	Summary of key features (pros - cons) of different governance models (including hybrid); expert evidence briefs in areas defined by the Panel	Commissioned expert (CfPS) Programme manager
	Summary of available local government good practice research relating to enhancing participation in local democracy - literature review	Programme manager CfPS
	Identification and consideration of wider context/ interdependencies with other Council projects/ plans (ongoing)	Executive Director of Resources; Head of Democratic Services Programme manager
3. Councillor engagement		
3.1 Initial engagement (to provide views on participation in decision making and help inform areas of focus for Panel's work)		
Planning: Dec 2018 - Jan 2019; Delivery: January – February 2019	Design of councillor survey and workshops	CfPS Panel Members Chair Programme manager
	Panel feedback on draft survey and survey sign off	Panel Members
	Communication about councillor engagement (inc. logistics) / councillor workshop brief	Chair Programme manager
	Council workshops and facilitation of one to one councillor meetings and written submissions	CfPS
	Analysis of gathered evidence	CfPS
	Presentation of highlight findings	CfPS
	Councillor engagement: findings report including anonymised data	CfPS



Timescales	Activities	Responsible/support
3.1 Engagement on progress and draft report		
Feb 2019 – December 2019	Communications about wider engagement and progress (ongoing) – with political Leadership and Groups	Chair Panel Members
	Progress report to July Council	Chair
January 2020	Draft report circulation for councillor discussion	Chair Panel Members
4. Resident and local stakeholder engagement		
4.1 Engagement in the review		
Planning Jan – April 2019; Delivery May – September 2019;	Decide scope of wider engagement (themes, methods, targets)	Panel Members Chair
	Agree the initial list of stakeholders	Panel Members
	Discuss and schedule engagement communication scope and timeline (channels for communicating and methods) e.g. promoting participation via website/use of social media etc.	Panel Members Communication team Programme manager
	Sign off scope of engagement	Panel Members Chair
	Communication and promotion - design and delivery - communication materials e.g. web page	Communication team Programme manager
	Undertake Council officer engagement – Chair meetings with ELT, ED updates to CLT	Chair/Executive Directors
	Undertake Resident engagement: <ul style="list-style-type: none"> • existing evidence review; • resident survey; • resident emails to the Chair and Panel summary 	Panel Members Chair CfPS Programme manager
	Undertake partner engagement – Local Strategic Partnership interviews	CfPS Programme manager
	Analysis of gathered evidence	CfPS
	Presentation of highlight findings	CfPS
Resident and local stakeholder engagement: findings report including anonymised data	CfPS	
4.2 Communications about governance review		
April 2019 – March 2020	Publication of the Governance Review webpage	Programme manager
	Publication of findings of the resident survey on Get Involved	Programme manager
	Website update and communications about the final report (residents and local stakeholders communication about finalised recommendations + evidence)	Chair Panel Programme manager

Timescales	Activities	Responsible/support
5. Expert witness and good practice evidence (LA visits)		
Planning March 2019 Delivery - May 2019 • Visit to Sutton – April • Expert Witness inquiry session – May • Planning Session – June & January 2020	Development of evidence briefs by the commissioned expert - CfPS	Panel Members Chair CfPS
	Agree scope / focus / topics to explore with expert witnesses and peers (based on gathered evidence)	Panel Members Chair
	Approach and arrange visits / meetings	Programme manager
	LA Visit to take place	Panel Members Chair
	Notes from visit to be finalised	Programme manager
	Invitations and communication with witnesses	Chair
	Commission Planning Advisory Service to assess Planning Committee operation / engage planning team to provide an overview of planning	Panel Programme manager PAS / Planning Team
	Plan expert witness inquiry session and planning session	Panel Members Chair Planning team/PAS Programme manager
	Undertake expert witness sessions	Panel Programme manager PAS / Planning Team
Prepare notes from sessions	Panel Members Programme manager	
6. Assessment of council's governance practices		
December 2019 - August 2019	Observing current meetings	Chair Commissioned experts
	Mapping of current governance arrangements: presentations and briefs to provide an overview of structures, processes and practices, opportunities to participate; analysis of decisions made by Croydon in the last financial year	Panel Programme manager Democratic services
	Analysis of satisfaction levels in terms of the range and quality of participation - how well does the current system operate in terms of participation of councillors and residents (councillor and resident survey; democratic services statistics and figures on uptake)	CfPS Programme manager Democratic services
7. Recommendation feasibility and cost assessment		
December 2019 – January 2020	Analysis of feasibility and costs associated with changes to structures (such as committee model)	Finance team Democratic services Programme manager
	Analysis of costs associated with implementing Panel recommendations (improvements)	Finance team Democratic services Programme manager
	Consideration of feasibility and cost implications	Panel

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Timescales	Activities	Responsible/support
8. Panel consideration of evidence and emerging recommendations		
February 2019 - November 2019	Considering evidence at monthly Panel meetings	Panel
	Agreeing Panel's guiding principles	Panel
	Forming conclusions based on evidence gathered	Panel
	Additional Panel workshops to discuss and agree draft recommendations	Panel Project Officer
9. Report drafting, publication and follow-on actions		
July 2019 progress report November 2019 – January 2020 draft report March 2020 report sign off by Council	Drafting of Progress report to Council	Chair
	Approval of the progress report at the Council meeting in July 2019	Council approval
	Drafting and Panel approval of final report following feedback	Chair Panel Members Programme manager
	Drafting Council report	Democratic Services Project Officer
	Report design	Design team Programme manager
	Final report presented at Council in March 2020	Chair Panel
	Development of proposals for governance arrangements to oversee delivery of Panel's recommendations	Chair Panel
	Publishing final report and evidence	Programme manager

Outline of Governance Review meetings

The Panel met on a regular basis to receive and discuss evidence and the formal meetings relating to the Panel's work are summarised below.

Scope of Governance Review meetings in line with the Work Programme (decision points)	
8th October 2018 Council meeting	<ul style="list-style-type: none"> The Governance Review Panel established Terms of reference approved
29th October 2018 Panel meeting	<ul style="list-style-type: none"> Panel and Chair introductory meeting Noting of Terms of Reference An initial discussion regarding the Panel member views on programme of work for the Governance Review
19th November 2018 Panel meeting	<ul style="list-style-type: none"> Presentations about the current governance structures as well as good practice in undertaking governance reviews and engagement
11th December 2018 Panel meeting	<ul style="list-style-type: none"> Agreement for Centre for Public Scrutiny to undertake councillor engagement to help inform the key themes for the review to explore; Chief Executive presentation on localities work
14th January 2019 Panel meeting	<ul style="list-style-type: none"> Consideration of the draft work programme and proposal of scope and timeline extension till December 2019 A list of local stakeholders for consideration Noting of work in progress (Action Log)
23rd and 26th January 2019 Councillor workshops	<ul style="list-style-type: none"> Evidence gathering workshops with councillors facilitated by CfPS
12th February 2019 Panel meeting	<ul style="list-style-type: none"> Outcomes of councillor engagement exercise - headline presentation from CfPS Considering emerging themes and questions for the review and next steps in local stakeholder engagement
18th March 2019 Panel meeting	<ul style="list-style-type: none"> A presentation about participatory opportunities within current governance arrangements (status quo) Questions for Sutton visit and a list of expert witnesses consideration, including a potential expert witness inquiry session Agreement on a list of stakeholders and approach to evidence gathering
1st April 2019 Evidence gathering session	<ul style="list-style-type: none"> Visit to the London Borough of Sutton
15th April 2019 Panel meeting	<ul style="list-style-type: none"> Commissioned expert specification sign off - to undertake resident and local stakeholder evidence gathering and engagements and provide evidence briefs to the Panel Agreement on Panel's draft guiding principles Progress report to Council discussion
21st May 2019 Evidence gathering session	<ul style="list-style-type: none"> Expert witness inquiry session with CEO, peer senior managerial and political experts
3rd June 2019 Evidence gathering session	<ul style="list-style-type: none"> Separate session, focused on planning with PAS, officers and the Chair and vice Chair of the Planning Committee
24th June 2019 Panel Meeting	<ul style="list-style-type: none"> Consideration of findings from expert and planning sessions Discussion about next steps in emerging areas of focus Progress report to Council sign off
15th July 2019 Council meeting	<ul style="list-style-type: none"> Progress report was received by the Council
16th July 2019 Panel Meeting	<ul style="list-style-type: none"> Consideration of CfPS evidence briefs (committee model discussion) Emerging, draft recommendations discussion: culture and structures
August – September 2019 Panel workshops	<ul style="list-style-type: none"> Recommendation scoping workshops CEO attendance and discussion



Scope of Governance Review meetings in line with the Work Programme (decision points)	
26th September 2019 Panel meeting	<ul style="list-style-type: none"> • Recommendation development and prioritisation • Approach to report drafting and presentation
22nd October 2019 Panel meeting	<ul style="list-style-type: none"> • Consideration of a report on resident and stakeholder engagement • Discussion about hybrid options • Discussion about the approach to implementation and cost implications
4th November 2019 Panel workshop	<ul style="list-style-type: none"> • Consideration of impact of general election on Panel's timeline • Workshop style review of conclusions to dates, including gaps and outstanding tasks
18th November 2019 Panel meeting	<ul style="list-style-type: none"> • Draft recommendations sign off • Updated work programme timeline approval • Initial discussion about draft report and councillor discussion of draft findings
2nd December 2019 Panel workshop	<ul style="list-style-type: none"> • Workshop focused on current decision making process and considering questions relating to operation and impact of introducing hybrid arrangements
7th January 2020 Panel meeting	<ul style="list-style-type: none"> • Initial discussion and feedback about the draft report
20th January 2020 Panel meeting	<ul style="list-style-type: none"> • Draft report sign off for Member circulation • Agreement on the approach to the councillor discussion
23rd January 2020 Planning session	<ul style="list-style-type: none"> • Session between the Planning Committee, officers, PAS and Panel to discuss the planning related recommendations and the way forward
30th January 2020 Member discussion	<ul style="list-style-type: none"> • A meeting of all Members to consider the draft report
17th February 2020 Panel meeting	<ul style="list-style-type: none"> • Final report and supplementary evidence report sign off for Council submission
2nd March 2020 Council meeting	<ul style="list-style-type: none"> • Presentation and approval of the Final Report from the Governance Review Panel

[Further informal meetings took place within political groups and with the Chair and/or Panel members on request from stakeholders]

APPENDICES**Appendix B – List Of Key Evidence Gathered By The Panel**

Key evidence and information gathered by the Panel was compiled into a separate, supplementary Evidence Report published alongside this report and summarised below.

Ref no.	Evidence name
1	Current governance arrangements presentation slides
2	Current opportunities to participate presentation slides
2.1	Opportunities to participate summary handout
3	Engagements overview report by Centre for Public Scrutiny (CfPS)
3.1	Resident survey response report CfPS + resident survey hard copy
3.2	Changing the culture of running the council – resident written submission
3.3	Desktop analysis of resident / stakeholder engagement – summary report and proposed actions CfPS
3.4	Member engagement - findings report CfPS
3.5	Local Strategic Partnership engagement headlines CfPS
3.6	Planning session slides
3.7	MP letter to Chair re planning
3.8	PAS findings report + addendum
3.9	Residents' Associations evidence submissions
4	Governance models comparison brief by CfPS
4.1	Forward plans and key decisions brief by CfPS
4.2	Hybrid arrangements brief by CfPS
5	Sutton visit notes
6	Expert session summary notes + speaker presentation slides
7	List of Statutory reports handout
8	Key decision definition and no. of key decisions comparison handout
9	Executive decision making figures handout
10	Localities work presentation by CEO handout
11	Examples of ward forums / area committees handout
12	Councillor questions trends handout
13	Record of all Member discussion about the Panel's draft findings
13.1	Councillor written submission following the Member discussion
14	Further reading + links to Croydon Council's key governance documents

This evidence can be viewed at <https://www.croydon.gov.uk/democracy/dande/governance-review>

APPENDICES

Appendix C – Cabinet Member Advisory Committee proposals

Document purpose:

In its final report the Governance Review Panel presents its rationale relating to suggested structural changes, asking the Council to consider introduction of hybrid arrangements, referred to as Cabinet Member Advisory Committees for the purposes of this report.

This document aims to provide additional detail relating to the operation of such committees and some key principles that the Panel believes are important to capture to support the Council in developing detailed proposals and to help inform the Council's considerations in this area.

OVERVIEW

Rationale:

- Need for earlier and more inclusive, collective fora for backbench Members and residents to input into the decision making process in an open meeting
- Need for a meaningful political debate in an open meeting

Key benefits:

- increasing the visibility of decision making and raising the level of openness by considering decisions earlier in the process through debating selected Cabinet Member decisions in public
- helping with collective Cabinet consideration of significant decisions and backbench inclusiveness in discussions
- defining the legitimate role of opposition Members, and allowing for more constructive political debate to take place
- giving speaking rights to residents, allowing for the considering of their views
- increasing the Council's capacity and ability to review significant decisions before they are taken by debating decisions, based on the forward plan
- being able to consider matters of policy and performance and undertake forward looking activities to suggest to the Cabinet areas of focus for future decisions
- assisting with improved decision making and oversight by increasing the quality of decision making reports.

Prerequisites:

- Cultural change is progressed and a forward plan exists to enable effective scoping of new committee agendas
- Committees do not change the formal decision making process (decision making power retained by the Cabinet)
- The Council ensures that duplication is minimised between reports considered by Scrutiny and Cabinet Member Advisory Committees.

Risks/mitigations:

- Establishing and running the new committees in an already complex structure and within available resources/ phased introduction alongside review of existing structures to create a sustainable, streamlined and effective structure
- Effectiveness of committees in attracting Member and resident participation and improving quality of decision making / testing period, implementation of adjustments (based on feedback) if necessary and assessment to ensure effectiveness
- Clarity of distinct advisory committee and scrutiny roles and remits, especially in relation to pre-decision activities /practical testing on live decisions in 2020, to ensure clarity by May 2021
- Ensuring full Member and officer understanding of proposed structural change / detailed scoping by the Working Group (including any revisions to the Constitution) needs to take place by June 2020 Council, with additional resource allocated to undertake and communicate this piece of work.

OPERATIONAL CONSIDERATIONS

No. of committees and remit

- Four committees (established and tested in 2020/21)
- Name to be agreed, Cabinet Member Advisory Committees or Policy and Performance Committees proposed for consideration
- Proposed split of Cabinet Member portfolios for consideration:

Regeneration & Housing, Environment

- Homes & Gateway Services Cabinet Portfolio
- Clean & Green Croydon Cabinet Portfolio
- Environment, Transport, Regeneration Cabinet Portfolio

Young People Services + Leisure

- Children Young People & Learning Cabinet Portfolio
- Culture Leisure & Sport Cabinet Portfolio

Health & Social Care + Community

- Families health & Social Care Cabinet Portfolio
- Safer Croydon & Cabinet Portfolio

Resources & Economy

- Finance & Resources Cabinet Portfolio
- Economy & Jobs Cabinet Portfolio

Frequencies

- In 2020/21 number of meetings to be determined, but at least one meeting per committee
- At times that allow them to be best aligned with Cabinet meetings and forward plan
- From May 2021 anticipated, estimated 16 additional meetings in total

Types of decisions to be considered

- Predominately decisions included on the forward plan, including significant and key executive decisions

Types of decisions to be excluded

- Operational decisions
- Decisions reserved to regulatory committees
- Contract decisions / commercially sensitive decisions, where appropriate

Key functions

- Consider and either endorse or make recommendations on the statutory key and significant decisions to be taken by the Leader, a Cabinet Member, the Cabinet or officers
- Assist and advise the Leader, Cabinet Members, the Cabinet and officers in the development of the Policy Framework
- Review the performance of the functions of the Council and GPAC that fall within the remit of the Cabinet Member Advisory Committee in relation to its policy objectives, performance targets and the customer experience (assess effectiveness of the Council)
- Suggest further areas of focus for the Leader and Cabinet

Chairing

- By Members with existing SRA (no additional allowances are proposed) – the SRA budget to remain the same
- Proposed that Chairs are chosen out of Deputy Cabinet Members to enhance their roles
- Proposed that there are two vice chairs for each committee, one from both the majority group backbench and minority group
- A protocol for Charing and vice-chairing, including a protocol about confidentiality, should be developed

Memberships

- 10-12 Members mostly backbench
- Proportionate representation of opposition
- Cabinet Members standing invitees, actively involved but not voting Members of the Committee. They will attend when their reports are debated to present their proposals and to consider points and views agreed by the committees

Terms of Reference

- Constitution to be updated
- To include a protocol on cross-party working standards
- To include clarity around Cabinet Member role in actively contributing to the committee work and proactively engaging with Chairs about upcoming decisions

Agenda Planning

- Based on the forward plan
- Chair and vice chair in consultation with Cabinet Member to choose decisions
- Cabinet Members will be involved in setting the agenda
- In principle Chairs to negotiate decisions with scrutiny, to ensure best route taken and to avoid duplication

Public participation

- Meetings to be open to the public
- Webcast of the meeting to be available
- Residents to have speaking rights and details to be agreed prior to implementation
- In time potential to decrease public questions at Council, if public participation found more meaningful in Cabinet Member Advisory Committees

Output of committees

- Consider and comment on draft reports,
- feedback on draft proposals,
- recommend amendments to Cabinet Member
- raise performance issues and propose areas of focus for cabinet

Cabinet Member response to committees

- accept recommendations in full or partially and formally recommend to Cabinet or Council (where relevant)
- reject recommendations and provide a reason
- make final decision, noting Cabinet Member Advisory Committees input in the final decision making report

Phased introduction of the Cabinet Member Advisory Committee meetings and other existing structures

- formal changes to constitution and Membership appointment to take place between June 2020 and April 2021
- if committees deemed effective, other existing bodies to be considered in terms of their effectiveness and possibilities to be scaled down, abolished or transfer their business to the new committees

Aligning current structures to new committees

Effectiveness of meetings was seen as very important by Members. As such it is proposed that, as the Council tests the new committees, it at the same time begins reviewing other existing committees in terms of their purposefulness and:

- Ensure meaningful Member and where appropriate resident / partner participation exists
- Ensure that where appropriate those encourage cross-party debate
- Clarify their role, powers and where appropriate links to democratic decision making processes (making / influencing decisions)

- Assess if they achieve the purpose they were set up to achieve
- Assess if they could be incorporated into new committee business or abandoned all together if they have no clear and defined purpose

Each committee should have a clear and up to date ToR that sets out its purpose and the Constitution should be reviewed accordingly. When it comes to Panels and committees that are not statutory and do not make or influence decisions, e.g only share and note information, it needs to be considered if those are necessary and if more efficient ways of sharing information could be introduced, especially through use of technology.

The complexity of the structure itself impacts on the clarity of how decisions are taken. The Council has an opportunity to come out of the exercise to introduce a hybrid model with fewer but more purposeful committees.

The Panel also notes that it is important that the Council has resources to effectively support all existing and proposed committees. As such the Council needs to consider how an introduction of new meetings impacts on its ability to support all existing fora within its structure.

The Panel knows that initial changes and additional meetings will require additional investment in the structures, but recognises that limited resource is available, and hopes that reviewing current structures and testing effectiveness of any changes could help the Council to work towards changes that are cost neutral in the long term.

The Panel wants to also acknowledge that as of drafting this report, one of the two job-share Cabinet Members for Environment, Transport and Regeneration has put forward proposals for the creation of a Cabinet Member Advisory Committee under existing powers within the Constitution to advise on planning and regeneration policy matters. The Panel wants to ensure that the introduction of such an advisory committee is more closely considered at a point of the Council implementing the new structures, to ensure this wouldn't defeat the purpose of creating purposeful and aligned new Cabinet Member Advisory Committees as detailed in Theme 4 of the main report. If the Council decides to progress with the committee as proposed by the Cabinet Member, the Panel would urge the Council to ensure the purposefulness, effectiveness and alignment of such a committee is tested in the same way as the proposals set out in this report. This is to prevent further confusion and fragmentation of an already complex structure.

APPENDICES

Appendix D – Financial Considerations

In its terms of reference the Panel was asked to consider the cost of any recommendations. This has been difficult to do in the time available and the cost of each recommendation individually is difficult to establish before further work is undertaken by lead officers in consultation with Members to ensure a phased and sustainable approach to implementation.

The Panel however appreciates that in the first few months, as the Council begins considering practical ways of implementing the recommendations, the cost will mostly be associated with the leadership team time and officer support to scope out proposals in areas highlighted in the report and agree realistic and achievable timescales and methods of delivery.

Following the initial scoping phase in March till June 2020 the Panel believes that some recommendations relating to ongoing improvement and review can be delivered within current resources and should form part of the Council's improvement journey.

The areas where the Panel anticipates additional funding would be required are:

- Introducing Member support function / more focused Member support (if feasible and agreed by Council)
- Implementing changes to structures and delivery of one off improvements & options appraisals
- Project management

Member support

The Council needs to consider if a dedicated (centralised) Member support function is financially viable, whether permanently or on a fixed term basis. Alternatively, resources could be directed from existing activity to provide support to Members.

Should the Council consider recruiting dedicated support officers for Members, this will require an estimated £35k of funding per annum per officer.

Structural changes and delivery of 'one off' improvements

Changes to structures will require completion of transitional activities as well as consideration of ongoing costs associated with running additional meetings. The recommendations also ask for development of additional guides and documents that would support the transparency and inclusiveness agendas. The key costs and officer time will be required in relation to:

Drafting: There are various drafting requirements arising from recommendations such as a Protocol/Strategy on Engagement, Forward Plan, Guidance on Key Decisions, Guidance on decision Making Process, Draft Role Profiles, Culture Plan, Review of the training programme officers/ Members.

Constitution review: In addition, a review of the Council's Constitution will need to be undertaken in the event that there is an agreed proposal to create new cross party Cabinet Member Advisory Committees which is likely to require the creation of Terms of Reference plus revisions to Articles, Responsibility for Functions, Access to Information Procedure rules, Executive Procedure Rules, Protocol on Staff Councillor Relations, Protocol on Decision Making

Council procedures: Changes to process and procedure at Council meetings will require a review of the Council Procedure Rules.

Decision making: Review of all Schemes of Delegation.

PAS report: Delivery of agreed planning improvements

Operation of new advisory committee meetings: It is anticipated that following the formal establishment at the June 2020 Council, the Council will endeavour to arrange the initial meetings in 2020/21, with an estimated 4-8 additional meetings to be organised in that year and the assumption that 16 additional meetings will need to be accommodated within the 2021/22 municipal year.

The Panel believes that to accommodate those in the long term, the frequency and necessity of other meetings needs to be reviewed and rationalised over the same period of 2 years. It is likely however that additional democratic service support will be needed to accommodate those high profile committees and ensure any changes to operations and support provided to the current meetings can be implemented effectively. If there isn't an equivalent reduction in existing formal meetings, those additional costs will become permanent. There will be further costs dispersed across departments in preparing, reviewing and updating reports and in attending at those committees and undertaking actions that emerge from them.

The Mid Term Financial Strategy requires savings within democratic services. In this context the democratic services team would not have capacity to accommodate additional meetings.



Project Management

The working group will require officer support to work with responsible Members and officers on delivering the agreed improvement plans and coordinating activities relating to progress reporting and improvement monitoring.

The recruitment of a full time project manager for a two year fixed term contract will require the Council to commit between £40-55k, excluding on costs, depending on the levels of expertise and seniority needed.

Officer time

There are clear additional costs relating to senior officer time required to support the options scoping and delivery of recommendations. This means officer time to attend meetings and workshops to develop a detailed plan, assessing in more detail the issues raised and an appropriate and measured response, updating current documents, processes and procedures and reporting on progress. This is however difficult to quantify in terms of monetary impact and the Council needs to be flexible in appreciating that as the work progresses there may be legitimate capacity limitations that will influence the pace of progress.

Cost estimations

Over the period of 2 years following the conclusion of the review, and dependent upon the decisions the Council takes in implementing the recommendations, the Panel estimates additional costs to be in the region of:

Area of spend	year 1 (min/max)	Year 2 (min/max)
Member support	£0/£35-70k	£0/£35-70k
Structural changes and key improvements implementation including one off transitional costs	£115k	£115k
Project management	£55k/65k	£55k/£65k
Total	£170k/£250k	£170k/£250k

This means a minimum, estimated average cost of £170k per annum, and maximum cost of £250k per annum, for a period of two years. The estimated cost includes only direct, additional resource required, and does not account for indirect costs likely to be incurred across different teams that might be required to change the way they operate. Such further hidden costs are likely, especially in terms of departmental resources to support implementation.

This is not an insignificant resource commitment and the Council needs to carefully consider if it is prepared to commit the necessary resources to effectively implement desired changes, and if it can find the most cost effective ways of doing so.

It is anticipated that in June 2020 a detailed improvement plan will be presented to the Council and at that point cost estimates will be more accurate and finalised for approval.

ACKNOWLEDGEMENTS

The Panel would like to acknowledge and extend its thanks to the contributions of the many residents that participated in the review. The Panel also thanks all of the individuals and organisations that have contributed to the review.

Individuals and Organisations that contributed to the Review

London Borough of Sutton:

Alexa Coates, Head of Committee and Management Support
Councillor David Hicks
Councillor Jayne McCoy
Councillor Neil Garratt

Expert witness session speakers:

Barry Quirk, Chief Executive at Royal Borough of Kensington and Chelsea
Carl Whistlecraft, Head of Democracy at Kirklees Council
Dame Jane Roberts, Chair of 2007 DCLG Councillors' Commission
Paul Martin, Chief Executive, London Boroughs of Wandsworth and Richmond

Local Stakeholders:

Croydon MPs
Coulsdon West Residents' Association
East Coulsdon Residents' Association
Whitgift Estate (East Croydon) Residents' Association

Local Strategic Partnership:

Asian Resource Centre Croydon (ARCC)
Croydon Business Improvement District (BID)
Croydon College
Croydon Voluntary Action
Department of Works and Pensions
Fire and Rescue Service
Metropolitan Police
Safeguarding Adults Board

Centre for Public Scrutiny:

Ed Hammond, Director of Research and Campaigns
Jacqui McKinlay, Chief Executive

Planning Advisory Service:

John Cummins, Consultant
Martin Hutchings, Improvement Manager

Croydon Council:

Croydon Council Elected Members and former Members
Croydon Council Planning Committee
Croydon Council Corporate Leadership Team
Heather Cheesbrough,
Director of Planning and Strategic Transport
Jo Negrini, Chief Executive
Pete Smith, Head of Development Management
Sandra Herbert, Head of Corporate Law
Sean Murphy, Interim Director of Law and Governance

Senior Responsible Officer

Jacqueline Harris Baker, Executive Director of Resources and Monitoring Officer

Programme Management, Research and Support

Agnieszka Kutek, Governance Review Programme Manager
Anoushka Clayton-Walsh, Democratic Services Trainee
Stephanie Davis, Democratic Services Officer
Stephen Rowan, Head of Democratic Services and Scrutiny
With additional support provided by the Democratic Services Team and Croydon Town Hall Concierge Team.

CROYDON COUNCIL GOVERNANCE REVIEW

FINAL REPORT OF THE GOVERNANCE
REVIEW PANEL MARCH 2020

Appendix 8.2 – Recommendations of the Governance Review Panel

Recommendation 1:

Put residents at the heart of decision making, building residents' trust in the Council's openness by publishing a strategic statement of how the Council will engage and ensuring that consultation and engagement activities are consistent in:

- Taking place at the earliest possible opportunity;
- Actively listening to residents;
- Being clear about their goals and how responses will be considered;
- Being joined up and shared across different council services;
- Engaging existing community groups and forums;
- Following latest best practice to engage with hard to reach and underrepresented residents; and
- Being reported to decision makers, clearly detailing how responses have influenced recommendations.

Recommendation 2:

Ensure that local communities are at the heart of how council services are delivered in their areas by building on existing work to deliver locality based services and devolution pilots. In doing so develop joined up and innovative options for more neighbourhood based involvement in decision making.

Recommendation 3:

Provide Members and residents with increased opportunities at an early stage in the process to influence decision making by producing and proactively communicating a forward plan detailing forthcoming decisions, including annually recurring decisions and key strategies and policies, at the earliest possibility and no later than six months in advance of the decision being taken.

Recommendation 4:

Make decision making more open and transparent for Members and residents, by:

- Reviewing Croydon's interpretation of the statutory definition of a key decision and if necessary amending the Constitution to ensure sufficient emphasis on community impact and producing guidance to ensure consistent interpretation and clarity of practical application, including types of decisions that the Council always deems to be key decisions;
- Publishing a guide on decision making processes to supplement the Constitution, and setting out how different services can be contacted and the different roles and responsibilities of councillors and key officers, and how Members and residents can participate in the Council's decision making processes, including when decisions are delegated; and
- Ensuring that there is a consistent standard of decision making report writing that details why recommendations are being made, what background papers are available and what influence the views of Members and residents have had on development of the recommendations.

Recommendation 5:

Provide Members and residents with more opportunity to scrutinise and challenge decision making by fully endorsing the open data approach to information provision and giving regular progress updates on how the Council is improving its use of digital means to make information available and easily accessible.

Recommendation 6:

Ensure the Council maintains a culture that enables effective governance by periodically reviewing and monitoring how Members work with one another and how Members and officers work with each other, and considering where improvements might be made including:

- Clarifying the different roles of Members and officers, including statutory officers, and their relevant rights and responsibilities;
- Agreeing a set of high behavioural standards for decision making meetings; and
- Enhancing the understanding and awareness of the governance framework, the Constitution, codes of conduct and Member/ officer protocols.

Recommendation 7:

Reinforce the role of ward councillors as community leaders by ensuring that Members are kept informed and engaged on matters affecting their wards and are always aware of official council engagements and events.

Recommendation 8:

Support all Members in fulfilling their roles, particularly by:

- a. Agreeing systematic ways that officers communicate information and providing advice that helps Members in different roles to understand and influence the delivery of council services, including information relating to strategy and policy delivery and service performance;
- b. Considering if the reintroduction of dedicated support for all elected Members would be the most effective way of coordinating Member support activities;
- c. Enhancing the Members' enquiry system to provide a more agile and responsive service that fully supports Members in handling case work;
- d. Ensuring that there is senior political buy-in to develop the Member learning and development offer, making it more effective in meeting Members' needs and improving the induction programme for new councillors;
- e. Developing a training programme that helps all officers and Members better understand respective roles, the decision making process and working in a political environment; and
- f. Considering the enhancement of ICT support for Members.

Recommendation 9:

Ensure the decision making structure fully supports participation by creating more purposeful opportunities for non-Cabinet Members and residents to consider and influence planned decisions before they are taken. Specifically, the Council should

enhance the existing Leader and Cabinet model by strengthening the collective Cabinet, establishing the hybrid arrangements which introduce Cabinet Member Advisory Committees, appropriately revising the scheme of delegation and ensuring the necessary changes are reflected within the Constitution.

Recommendation 10:

Improve the effectiveness of Council meetings by reaching a cross-party agreement on desired changes, underpinned by consideration of the principles and proposals set out in the Governance Review report.

Recommendation 11:

Recognising public dissatisfaction with Planning seek to enhance understanding of the planning process by:

- Considering recommendations detailed in the PAS report and ensuring those form a key part of the Planning Committee's journey to improve resident experience when engaging with planning; and
- Developing more proactive, cross-party working in the area of policy discussion, setting and revision

Appendix 8.3 – Proposed Terms of Reference for the Implementation Working Group

Established:

To be established by Council on 2 March 2020 and to continue operating until such time as it is dissolved by Council

Membership:

5 Members of the majority group

4 Members of the minority group

Should the group wish to appoint an independent chair, either for part or all of its work, this will be in addition to the membership described above.

NB: While the working group does not form part of the Council's formal political balance equation, the membership of this group is to be politically balanced

Quorum:

A minimum of 3 Members which must include a representative of each political group on the Council

Officer Support:

Executive Director of Resources - Senior Responsible Officer

Head of Democratic Services and Scrutiny

Head of Litigation and Corporate Law

Communications and Engagement

Dedicated project management and corporate legal support.

Terms of Reference:

1. To oversee the creation and agreement of a delivery programme in response to the governance review panel's recommendations;
2. To ensure that recommendations are implemented in keeping with the spirit of the governance review report and its principles, namely that any changes to the Council's governance should:
 - i. help promote a positive culture of involvement that enables all councillors to represent their residents and local areas;
 - ii. support open, transparent and inclusive decision-making that encourages resident participation and Member scrutiny, before decisions are taken;
 - iii. ensure that decision makers have opportunities to listen to the diverse views of Croydon's communities and consider those in a respectful, fair and responsive way;
 - iv. make access to information for Members easier and more timely, to afford Members greater opportunity to be involved in emerging policy, proposals and agenda setting;
 - v. support evolution and clarity of decision-making structures, roles and accountabilities.
3. To work with key officers and oversee any further engagement with Members required in agreeing how each of the panel's recommendations are taken forward;

4. To drive and oversee the timely delivery of the agreed improvements and consider ongoing feedback in the transition period;
5. Where appropriate, to present proposals to Council for debate and decision, and to provide Council with periodic updates on the progress of implementing the recommendations of the governance review panel;
6. To oversee effective internal and external communication; and
7. To make recommendations to Council on how to evaluate the impact and effectiveness of the changes made as a result of implementing the Panel's recommendations.

Access to Information:

Due to the nature of the work of the group, meetings will not be held in public. Periodic updates to Council on the progress of implementation will be published to ensure transparency.