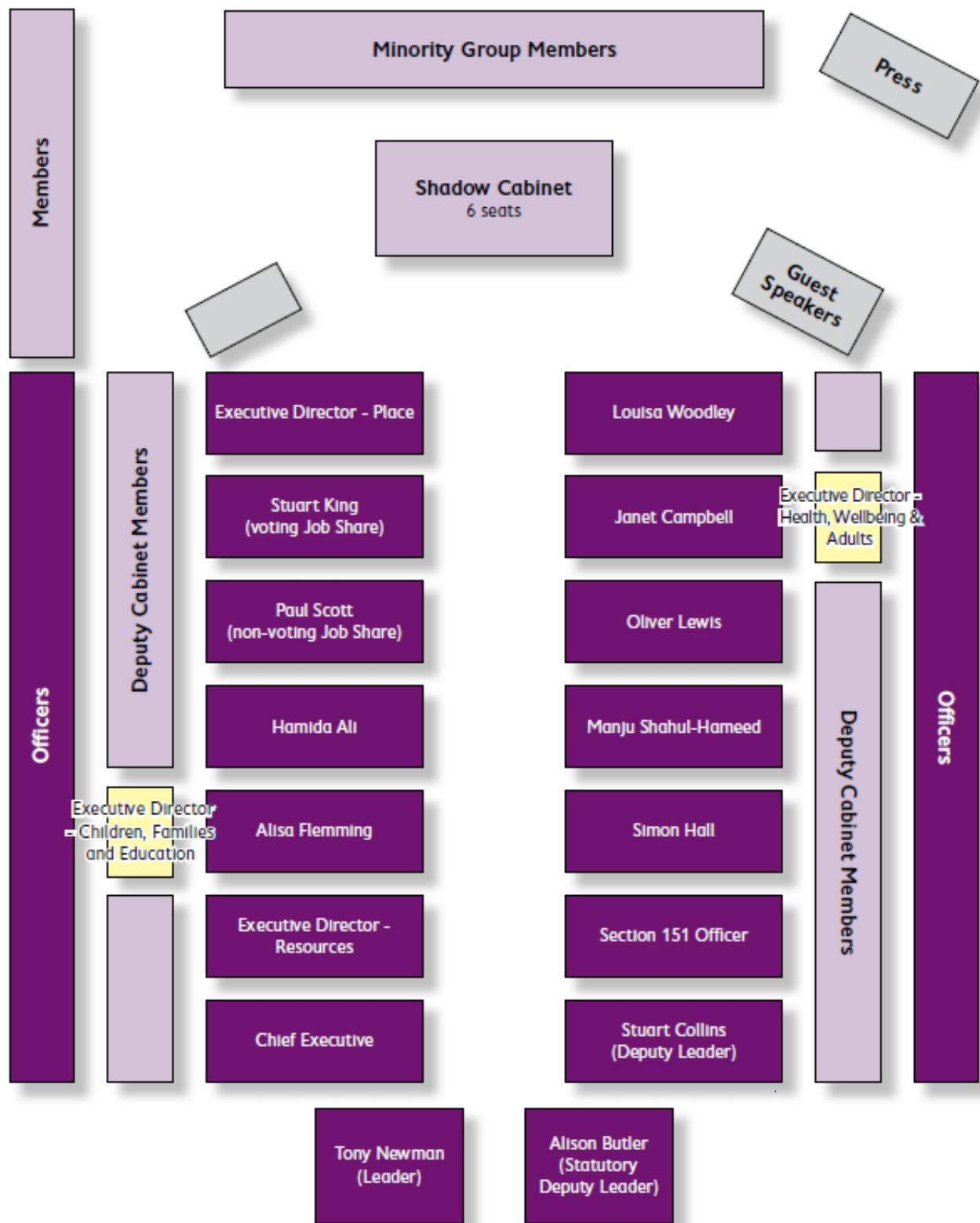




**CABINET
AGENDA**
for the meeting
on
20 July 2020 at
6.30 pm

Cabinet Seating Plan



To: Croydon Cabinet Members:

Councillor Tony Newman, Leader of the Council - Budget and Strategic Policy

Councillor Alison Butler, Deputy Leader (Statutory) and Cabinet Member for Homes & Gateway Services

Councillor Stuart Collins, Deputy Leader and Cabinet Member for Clean Green Croydon

Councillor Hamida Ali, Cabinet Member for Safer Croydon & Communities

Councillor Janet Campbell, Cabinet Member for Families, Health & Social Care

Councillor Alisa Flemming, Cabinet Member for Children, Young People & Learning

Councillor Simon Hall, Cabinet Member for Finance & Resources

Councillor Stuart King, Cabinet Member for Environment, Transport & Regeneration (voting - Job Share)

Councillor Oliver Lewis, Cabinet Member for Culture, Leisure & Sport

Councillor Paul Scott, Cabinet Member for Environment, Transport & Regeneration (non-voting - Job Share)

Councillor Manju Shahul-Hameed, Cabinet Member for Economy and Jobs

Invited participants:

Councillor Louisa Woodley, Chair of the Health & Wellbeing Board

All other Members of the Council

A meeting of the **CABINET** which you are hereby summoned to attend, will be held on **Monday, 20 July 2020 at 6.30 pm. This meeting will be held remotely.** Members will be sent a link to remotely attend the meeting in due course.

JACQUELINE HARRIS BAKER
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10 July 2020

PLEASE NOTE: Members of the public are welcome to remotely attend this meeting via the following web link: <http://webcasting.croydon.gov.uk/meetings/8748>

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If you require any assistance, please contact Victoria Lower 020 8726 6000 x14773 as detailed above.

AGENDA – PART A

1. Apologies for Absence

2. Minutes of the previous meeting (Pages 7 - 24)

To approve the minutes of the meeting held on 8 June 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.

Cabinet Member: Leader of the Council

5. Croydon Together: Update on our ongoing response to Covid-19 (Pages 25 - 38)

Officer: Jo Negrini

Key decision: no

Cabinet Member: Leader of the Council & Cabinet Member for Finance & Resources

6. Responding to the Local Government Funding Challenge (Pages 39 - 52)

Officer: Jo Negrini

Key decision: yes

Cabinet Member: Leader of the Council & Cabinet Member for Finance & Resources

7. July Financial Review (Pages 53 - 88)

Officer: Jacqueline Harris Baker

Key decision: yes

Cabinet Member: Cabinet Member for Homes & Gateway Services, Cabinet Member for Finance & Resources

8. Increasing Housing Supply (Pages 89 - 102)

Officer: Shifa Mustafa

Key decision: yes

Cabinet Member: Cabinet Member for Children, Young People & Learning

9. Croydon Offer for Care Leavers, Commitment to Children in Care and National Pledge (Pages 103 - 110)

Officer: Robert Henderson

Key decision: yes

Cabinet Member: All Cabinet Members

10. Stage 2: Response to recommendations arising from Scrutiny & Overview Committee on 10 February 2020, Streets, Environment & Homes Scrutiny Sub-Committee on 4 February 2020, Scrutiny & Overview Committee on 25 February 2020 and Health & Social Care Scrutiny Sub-Committee on 10 March 2020 (Pages 111 – 128)

Officer: Jacqueline Harris Baker

Key decision: no

Cabinet Member: Cabinet Member for Finance & Resources

11. Investing in our Borough (Pages 129 - 136)

Officer: Jacqueline Harris Baker

Key decision: no

12. 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.”

Cabinet

Meeting held on Monday, 8 June 2020 at 6.30 pm. This meeting was held remotely

MINUTES

Present: Councillor Tony Newman (Chair);

Councillor Alison Butler, Stuart Collins, Hamida Ali, Jane Avis, Alisa Flemming, Simon Hall, Stuart King (voting – Job Share), Oliver Lewis, Paul Scott (non-voting – Job Share) and Manju Shahul-Hameed

Also Present: Councillor Tim Pollard, Jason Cummings, Jason Perry, Mario Creatura, Maria Gatland, Lynne Hale, Simon Hoar, Yvette Hopley, Vidhi Mohan, Helen Pollard, Sean Fitzsimons, Robert Ward, Clive Fraser, Helen Redfern, Margaret Bird, Simon Brew, Jan Buttinger, Sherwan Chowdhury, Patsy Cummings, Nina Degrad, Felicity Flynn, Patricia Hay-Justice, Bernadette Khan, Shafi Khan, Ian Parker and Louisa Woodley

PART A

38/20 **Minutes of the previous meeting**

The part A minutes of the Cabinet meeting held on 11 May 2020 were agreed. The Leader of the Council confirmed he would sign the minutes as an accurate record when able to.

39/20 **Disclosure of Interests**

There were none.

40/20 **Urgent Business (If any)**

The Leader stated that in response to the horrific events around the globe which had led to the rise of the hugely important Black Lives Matter movement; efforts in Croydon were being redoubled to tackle racism in the borough. It was noted that events were taking place across the community and elsewhere and that efforts to support the Black Lives Matter movement would be supported.

Cabinet paused the meeting for 8 minutes and 46 seconds to reflect upon recent events.

Croydon Together: Update on our ongoing response to Covid-19

The Leader noted that lower numbers were starting to be seen in terms of hospital admissions, however a significant challenge remained in Croydon in terms of health and economic crises. The financial challenges were recognised and the Leader thanked Chris Philp MP for his work in promoting fairer funding and for recognising the importance of cross party working.

Members thanked all of the staff, NHS workers, care home workers and volunteers who had stepped up to support residents during a period of adversity.

The Director of Public Health noted that while infections and deaths were reducing in England, there had still been 55 deaths announced that day which meant there were 55 bereaved families. Significant risks remained; the virus was highly contagious and infectious and so it was imperative people stuck with social distancing and only made journeys where necessary. Everyone in Croydon was thanked for their contributions to reducing the spread; however, it was noted that significant work remained to combat the virus.

The Chief Executive noted that the work to develop strong partnerships over previous years had been a key strength in Croydon's response to the pandemic. The council would not have been able to respond so well without the work of the NHS and the community and voluntary sector. It was recognised that through coordinated partnership working residents across the borough had been supported. BIDs were also recognised for their vital work in supporting businesses throughout this period.

Despite these partnerships, responding to the pandemic was recognised as having been a challenge as a number of responsibilities had been placed upon local government. The Chief Executive further stressed that the council was still responding to the pandemic and would continue to support care homes and shielded residents.

Members were informed that there were 14,500 shielded residents in the borough and of those 2,500 required additional support. This support would continue in the weeks and months ahead, especially in light of discussions of the government withdrawing food packages for the vulnerable as there would be many residents who would be concerned about going out.

The Chief Executive noted that the council had been given additional duties by the government in relation to care homes. The council had been providing support, including PPE and training, to care homes in Croydon since the beginning of the pandemic; however additional responsibilities of coordinating the testing of care home residents and staff had been placed on the Director of Public Health. It was confirmed that care homes would continue to be supported in acquiring PPE.

Members were informed that over £200k in emergency grants to the voluntary and community sector had been distributed. Furthermore, of the £60m in business grants received, £44.8m had been awarded. It was noted that there was a wide range of businesses in Croydon and some were very small; as such the Chief Executive requested that if councillors came across a business in need of support that they inform her and the Section 151 Officer so that they could be contacted.

15 June 2020 was an important date for the borough with retail shops opening and secondary schools reopening. The council was also working to reopen Bernard Weatherill House on that date and the Town Hall on 29 June. The Chief Executive further noted that from 22 June restaurants and bars would be able to reopen for outdoor trade. It was important that the council supported this sector and supported as many businesses to reopen as possible through a number of measures, including suspending parking outside businesses, where appropriate, to increase outdoor trading space.

Members were informed that the service mobilisation plan would be ready by the end of the month. In Bernard Weatherill House there was a large amount of work undertaken with deep cleans, lift guidance developed and one-way systems introduced. Staff would be able to return from 1 July; however considering the building would only be able to accommodate 20% of staff this would need to be managed. It was recognised by the Chief Executive that there were a number of staff who wanted to return to the office and that staff welfare was a key consideration.

The Chief Executive noted that most schools in the borough had remained open throughout the period for the children of key workers and vulnerable children. Since 1 June, 60 primary schools had widened their opening to welcome children back and to facilitate this, there had been a large amount of work undertaken by both council staff, head teachers and teachers. Members were informed that there was roughly 35-45% uptake at present, however that figure was increasing on a daily basis.

Members were informed that the Director of Public Health had been given responsibility to coordinate track and trace in the borough which was a fundamental part of the government's policy to save lives. The app for track and trace was still in development, however beacon areas had been identified and the council would seek to learn from their experiences.

Whilst there had been a reduction in deaths and infections, key risks remained. The council was in conversation with the NHS on how it could plan for a second wave. Furthermore, it was noted that there had been an enormous impact on residents, in particular vulnerable residents, and the economic impact had been huge with Universal Credit applications rising by 4%. The council was preparing for the impact of a second wave however would do everything possible to stimulate the economy to reduce the economic impact on residents.

The Chief Executive noted that the government had committed to support local authorities with the costs of responding to the pandemic; however this was not being fully covered as there were a number of direct covid-19 costs which were not being met, including loss of income and loss of in-year savings. Members were advised that the council had submitted returns to the MHCLG which indicated a full year funding gap of £62.7m and this was against the backdrop of London Councils projecting a funding gap of £1.3b across London. It was stressed that the financial challenge was significant and that the council was lobbying hard for this to be recognised and funded by the government.

The council, however, did not want to wait until the final settlement to tackle this financial challenge and so had implemented two measures. The Chief Executive advised the first measure was short-term and included stopping non-essential spending and implementing a recruitment freeze. The second measure was to review options which could be put in place to support bridging the gap. To support this work, the council had established a Finance Review Panel which was chaired by Duncan Whitfield and sought to drive forward the work to deliver as many savings programmes as possible.

The Leader and Chief Executive welcomed Duncan Whitfield to the meeting.

Mr Whitfield advised Members that he had 40 years' experience of local government finance and had begun his career in Croydon. He now worked at Southwark council which had similar ambitions and pressures to Croydon.

Members were informed that the Panel was in the early days of establishment with an agreed Terms of Reference and Project Initiation Document in place. There were 24 work streams in place and an update on progress of these was expected in the coming weeks. The Panel would review these work streams and would also begin planning for 2021/22 budget setting.

It was recognised that there were significant financial challenges, but that these challenges were not unique to Croydon and were being experienced by local authorities across the country. In Croydon there were, however, historical challenges of low reserves and balances.

Members were advised that there would be tough decisions in the months ahead, however Mr Whitfield stated that he was confident that with the commitment and pace seen to-date progress would be made.

The Cabinet Member for Finance & Resources noted that the financial pressures were unprecedented and had been exacerbated by historic underfunding and UASC underfunding. Measures had been put in place to deal with the immediate situation and the work of the Panel was to

formulate a plan that was true to the ethos of the administration. Tough decisions, it was noted, would need to be made to balance the finances of the council and the work of the Section 151 Officer was praised for ensuring the finances of the council remained viable.

The Cabinet Member welcomed the announcement on UASC funding which would bring an estimated £4m extra income to the council in 2021. This had been an area the council had been lobbying government on for a number of years. The Cabinet Member stated that it was hoped that the government would fund covid-19 costs as it had committed.

The Chief Executive noted that since the beginning of the pandemic an incredible amount of work had been undertaken by council staff to respond to the pandemic, but also to ensure business as usual was still taking place and had now begun supporting the work on the finances of the council. All staff were thanked by the Chief Executive for their work and dedication. The Leader echoed the thanks and noted that it had been inspiring to see the work of officers being recognised by residents. It was hoped that this connection between residents and the council would continue to be built upon.

The Cabinet Member for Homes & Gateway Services thanked the staff which had gone above and beyond in providing essential homes and gateway services. Thanks were also given to those in the communities who had stepped up to support others. Concerns were raised in terms of residents losing their homes and jobs and that there was a housing benefits system in place that was not fit for purpose.

It was noted that the gateway service had been set up in Croydon to address the inequality and poverty experienced by residents across the borough and this service would be needed by more residents than ever as the financial implications of covid-19 were felt.

Members noted that those who were homeless had no recourse to public funds and this was an issue which would be felt across London. Whilst excellent work had taken place to house them during the peak of the pandemic, the remaining issue of having no recourse to public funds remained.

The Cabinet Member for Children, Young People & Learning informed Members that a lot of hard work had gone into the planning of re-opening schools and to supporting young people across the borough with secondary school children due to return next. A detailed briefing had been circulated on the work which had gone into supporting young people to return to school. It was noted that most schools within the borough had remained open throughout the pandemic, however these schools were now increasing their numbers of students attending each day.

The Cabinet Member for Clean Green Croydon thanked all Veolia and council staff who had worked well together during this period to provide a

waste collection service. The council had received positive feedback from residents on the professionalism of HRRC staff when the centres reopened. There had been over 20,000 people visiting the HRRCs since reopening, however it was noted that those numbers were starting to drop.

The Cabinet Member raised concerns in relation to the budget gap as it was noted that this financial pressure would have an impact on staff and may require the council to start charging for services which it previously had not. The government was called upon to honour its commitment to fund covid-19 costs.

Members were provided with an update from the Cabinet Member for Environment, Transport & Regeneration (voting – Job Share) which outlined that the full range of enforcement activities would be resumed within the next two weeks; however, parking concessions for NHS and key workers would remain in place. A street space programme, similar to that of the Mayor of London's, was being rolled out which reallocated road space for walking and cycling and supporting social distancing. To-date, Members were informed that there had been 13 point closures, ten footway widening programmes, 20mph extensions, speed awareness signs implemented and pop-up cycle lanes planned.

Considerable concerns were raised by the Cabinet Member on the impact of scrapping under-18 travel concessions. This scrappage had been imposed upon TfL by the government in its bailout agreement, however it was stressed that the impact of this policy on young people could not be underestimated. Members were advised that in Croydon it was estimated that it would impact 60,000 young people and whilst work was going on to understand the impact, Members were requested to speak out against the policy.

The Cabinet Member for Families, Health & Social Care informed Members that there had been no reports of covid-19 in special sheltered housing in the previous three weeks. Members were advised that the council continued to work closely with care homes to ensure strong infection controls were in place. Whilst it was noted that the council was under huge financial pressures due to covid-19, the Cabinet Member highlighted that staff had been working hard since 2010 following the austerity measures imposed upon them and that nationally there was a £6b shortfall in adult social care which desperately needed to be addressed.

The Cabinet Member for Safer Croydon & Communities extended their thanks to the voluntary and community sector and all the volunteers who had come forward during this period. It was noted that the emergency fund of £200k had been oversubscribed which demonstrated the scale of the work taking place in this sector to support residents.

Members were informed that the Violence Reduction Unit was focussing on the safety of young people and supporting the sustained drops in knife crime which had been seen during this period. The Family Justice Centre had moved to seven day working and the safe spaces campaign had been important to provide spaces for those suffering from domestic abuse. The Policy had seen increases in reporting of domestic violence which had shown the importance of this campaign.

The Cabinet Member for Economy & Jobs informed Members that the Discretionary Grants Scheme had been launched the previous week to support local businesses. It had been estimated that if every business in the borough applied then all businesses would receive only £500. As such, difficult decisions had been made to support key businesses outlined within the scheme. It was noted that charities were not eligible to apply for the grants as there were alternative schemes available to them. The council had, to-date, received 492 applications and businesses were encouraged to apply quickly as it was recognised the funding was limited.

Members noted that a huge amount of work was being undertaken to support businesses to reopen as it was recognised that a number of businesses would struggle to reopen with new requirements placed upon them in terms of ensuring appropriate space was provided and the behavioural changes required. It was noted, however, that debate was ongoing on whether to reduce social distancing rules to 1m.

The Cabinet Member advised Members that the Federation of Small Businesses would be hosting a round table on 19 June in Croydon, which the council would be participating in.

The Cabinet Member for Culture, Leisure & Sport noted that leisure centres, libraries and the Fairfield Halls remained closed, however it was hoped that leisure centres and libraries would be able to reopen in the next month in line with government guidance. The council continued to encourage social distancing within parks and frontline officers who were patrolling the parks were thanked for their work.

The Cabinet Member thanked the Bereavement service for their hard work during a difficult time and for their continued compassion.

It was recognised that the cultural sector was an area which required support and the council was supporting this sector to move to digital options and had launched the culture support fund.

The Cabinet Member for Environment, Transport & Regeneration (non-voting – Job Share) stated that the regeneration team had been largely focussed on recovery and supporting businesses during this time. Members were informed that the development control team had seen a small dip in applications of 10%, however despite the change in working environment they were continuing to make decisions and the Planning Committee had resumed fortnightly meetings to ensure decisions were

being made. In terms of strategic planning, the Cabinet Member advised that the Local Plan review continued and a cross party working group had been established to look at the future of the borough.

The Leader of the Opposition welcomed the UASC announcement and noted that Chris Philp MP had been lobbying for it for a number of years. Whilst it was noted that it had taken too long for the funding commitment, it was now in place and everyone involved was thanked for their work.

It was suggested that residents understood their own financial situations but there was a lack of transparency in terms of how the crisis was impacting the council. The Leader of the Opposition stated that everyone needed to understand the financial pressures being faced by the council so they could understand the long-term impact. It was requested that this detail be provided in a digestible format.

In response, the Leader informed Members that the July Cabinet meeting would take a report on the council's finances which would be very transparent. The Leader urged the Leader of the Opposition to speak with the Chief Executive and Section 151 Officer ahead of the meeting to receive detail on the full implications. In response to further questions the Leader stated that if the government was happy for the MHCLG return to be published then it would be published. In the meantime, a summary of the return would be circulated to Members which contained more detail than the scrutiny report.

Concerns were raised that there were businesses within the borough that had not yet received grants in spite of the council recognising in the report that cash flow was integral to the long-term integrity of a business. Councillors expressed hope that the lessons of the business grants process had been learned and would be put in place for the discretionary grants scheme. In response, Members were requested to send the details of any businesses awaiting payment to the Section 151 Officer, however it was noted that the council had been congratulated for its diligence in allocating the grants as there had been fraudulent claims submitted. Furthermore, it was noted that some businesses were claiming that the council was not communicating with them when Cabinet Members had seen correspondence requesting further information which had not been supplied by the business.

In response to Member questions, it was noted that officers had been on the frontline responding to a global pandemic and so it had not been possible to hold a full diary of council meetings. This would be reviewed as the council's response needs were reduced.

Members were informed that the council had taken its role in supporting care homes very seriously and had provided PPE to them before it was the council's responsibility as it was not prepared to see residents exposed to the virus. Furthermore, the Cabinet Member for Families, Health & Social Care noted the government had not initially considered

care homes fully and had failed to include care home deaths in its daily figures.

In response to concerns raised regarding a 16.5% increase in charges for Careline, the Cabinet Member for Families, Health & Social Care requested that details be shared with her and the Executive Director for Health, Wellbeing & Adults so it could be investigated thoroughly, as that approach was not in line with the ethos of the administration.

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

RESOLVED: To note the report and the actions taken in response to the Covid-19 pandemic

42/20

Developing a sustainable economic recovery and renewal plan for Croydon

The Leader informed Members that a large amount of work was being put into a sustainable economic recovery and renewal plan and that the council was playing an integral role in bringing together a number of sectors and organisations to support this work. It was noted that the redevelopment of Croydon and the district centres would be important aspects of focus for the economic renewal of the borough following covid-19.

It was noted that huge challenges would be experienced by the culture and hospitality industries following lockdown easing and that it was important that the council ensured that the economic recovery of the borough was sustainable and swift. The Leader stated that the sustainable agenda was an important aspect of the recovery agenda during the economic crisis.

The Cabinet Member for Environment, Transport & Regeneration (voting – Job Share) noted that it would be easy to put tackling the climate emergency on the back burner, however it was the council's intention that there was a clear link between economic renewal and sustainability.

Members were informed by the Cabinet Member for Economy & Jobs that the council was seeking to shape a green and inclusive economy. With the reopening of businesses, training would be a key area of focus to support residents in acquiring new roles and to tackle skills shortages in particular sectors, such as the care sector. The Cabinet Member noted that women were more likely to work in sectors which had been closed during the lockdown and this inequality needed to be addressed.

Inward investment was key to the economic renewal of the borough and the council, it was stated, would look to encourage investment in the borough including large and medium sized businesses which were seeking to relocate outside of inner London.

The Cabinet Member informed Members that there was an enquiry taking place on post-pandemic economic growth which the council would feed into.

The Cabinet Member for Environment, Transport & Regeneration (non-voting – Job Share) stated that it was important that planning would play a key role in achieving a better environment during the economic recovery. Whilst it was important to continue to develop the borough, it was also important to recognise the changed environment as an outcome of covid-19.

The Leader informed Members that the council had received positive correspondence from Westfield in recent weeks in terms of the redevelopment of Croydon town centre which was welcomed. In spite of this positivity, the Leader stated that whether it be Westfield or another developer it was important that the redevelopment of the town centre was not stalled, however it was recognised that the redevelopment would need to evolve given the changes to the retail market in recent times. Furthermore, it was stated that the town centre would be redeveloped on a more human scale with fewer larger complexes and more open spaces. It was confirmed to Members that the Leader had spoken to Chris Philp MP and it had been agreed that cross party agreement was important to a successful redevelopment of the town.

In response to Member questions, the Leader noted that it was intended there would be a number of work streams as part of the renewal board which would look at specific areas and would welcome contributions from different businesses and organisations. Cabinet Members would also welcome the contribution of Shadow Cabinet Members.

The Cabinet Member for Culture, Leisure & Sport stated that he was proud of the administration's record of investing in the borough's cultural network and noted that just before the pandemic, the borough had been awarded Borough of Culture status for 2023 in recognition of this work. In response to questions, the Cabinet Member informed Members that the matter of pianos being removed from Fairfield Halls was for the operator.

In terms of the Fairfield Halls reopening, the Cabinet Member stated that it was important clarity was provided by the government on dates cultural sites could reopen and the arrangements that were needed to be put in place. Members were informed that BH Live remained committed to the running of Fairfield Halls.

Concerns were raised in relation to the ending of the under-18 travel concession in London, which had been imposed on TfL as part of the government financial bailout. It was noted that Croydon had the largest number of young people in London and that the impact of this cut would be far reaching. Concerns were raised that a number of young people would be unable to continue with their studies with the additional costs

and the council would be required to fund travel costs of those who were covered statutorily which had previously been covered by TfL.

In response to these concerns, the Cabinet Member for Environment, Transport & Regeneration (voting – Job Share) stated that there was a statutory obligation on local authorities to provide home to school travel where criteria had been met, however no London borough had the apparatus in place to support this as this had been managed by TfL since 2005. It was noted that the entitlement only covered home to school travel and so did not provide for weekend, school holiday or after school travel which would impact young people. The Cabinet Member stated that cross-party lobbying was required to raise this impact upon the young people of London.

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

RESOLVED: To

1. Record its thanks to the Council's partners in the public, private and voluntary and community sector who have come together as one borough to respond to the Covid-19 crisis.
2. Note the approach now proposed for the Council to work in partnership towards a sustainable economic renewal strategy.
3. Approve the establishment of a cross-sector Croydon Sustainable Economic Renewal Board to lead and coordinate the borough's renewal plan.

43/20

South London Waste Plan - Publication of Proposed Submission draft and Submission to the Secretary of State

The Cabinet Member for Environment, Transport & Regeneration (non-voting – Job Share) gave a presentation to the meeting. It was noted that the report was not about waste collection or the processing of waste but was rather about planning for future waste.

The Waste Plan had been drawn up by the four boroughs involved in the South London Waste Partnership; Croydon, Kingston, Merton and Sutton, and sought to ensure the four boroughs were net self-sufficient in their waste dealings up to 2036. It was noted that waste would be taken from elsewhere, however an equal amount would be exported to other authorities to manage.

The Cabinet Member stated that the targets for waste processing included no biodegradable or recyclable waste being sent to landfill by 2026, 65% of household and business waste being recycled by 2030 and 95% of construction waste to be recycled by 2020. Waste, it was stated, would be dealt with in terms of a hierarchy; re-use, re-cycle, re-cover and dispose.

Whilst it was intended that waste levels would be reduced it was noted that lobbying for national legislation was key to achieving the ultimate goals of waste reduction.

In response to questions, the Cabinet Member for Environment, Transport & Regeneration (non-voting – Job Share) stated that contact would be made with NHS England to better understand their concerns. It was further confirmed that development growth was taken into consideration when developing the Plan and that an increase in development of 4% over 15 years was net growth across the four boroughs.

Council staff and Viridor staff were thanked for their excellent work in maintaining services during the pandemic.

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

RESOLVED: To recommend that Full Council

1. Approves the submission of the draft South London Waste Plan (Appendix 1) and its associated Sustainability Appraisal (Appendix 2) to the Secretary of State following the conclusion of the statutory 6-week publication period in accordance with Section 20(1) of the Planning and Compulsory Purchase Act 2004;
2. Delegates to the Cabinet Member for Environment, Transport and Regeneration (Job Share), in consultation with the Director of Planning and Strategic Transport, the agreement of any Main Modifications required by the appointed Planning Inspector to make the South London Waste Plan sound;
3. Delegates to the Cabinet Member for Environment, Transport and Regeneration (Job Share), in consultation with the Director of Planning and Strategic Transport the publication of any Main Modifications required by the appointed Planning Inspector for formal consultation; and
4. Delegates to the Director of Planning and Strategic Transport in consultation with the Cabinet Member for Environment, Transport and Regeneration (Job Share) the making of minor modifications and factual corrections (that are not required to make the South London Waste Plan sound).

RESOLVED: To

1. Approve publication of the Proposed Submission South London Waste Plan (Appendix 1) and its associated Sustainability Appraisal (Appendix 2) for six weeks for representations to be

made upon it, in accordance with Regulation 19 of the Town and Country Planning (Local Planning) (England) Regulations 2012;

2. Approve that the Proposed Submission draft of the South London Waste Plan be recommended to Full Council for submission to the Secretary of State subject to conclusion of the statutory 6-week publication period; and
3. Delegate to the Director of the Director of Planning and Strategic Transport in consultation with the Cabinet Member for Environment, Transport and Regeneration (Job Share) minor and / or factual changes to the Proposed Submission South London Waste Plan prior to publication.

44/20

Equality Annual Report

The Cabinet Member for Safer Croydon & Communities began introducing the report by noting that the papers had been published before the recent murder of George Floyd. In light of the rise of the Black Lives Matter movement and the published impact of covid-19 on BAME communities, the report had increased in importance. It was stated that it was important that everyone played their part in tackling the inequalities that were experienced by residents and that the council reset its equalities agenda to tackle any inequalities present.

The Cabinet Member stated that the administration stood in solidarity with the black community and its staff. It was important that the council showed and did not merely state that Black Lives Matter. This was the opposite of the government's stance, it was stated, who had published a report that outlined the disproportionate impact of covid-19 on the BAME population but had not made any recommendations.

It was noted that the Local Government Association Equality Peer review report had been included in the papers and rated the council as "Achieving" and included recommendations for the council to improve further. Recommendations included improving data collection, which the council would work on in the coming weeks and months ahead. It was the intention of the council to work towards being awarded the status of "Excellent". Furthermore, the Cabinet Member informed Cabinet that there had been an informal discussion with Scrutiny & Overview Committee members in relation to the report and recommendations of members would be taken forward.

The Cabinet Member thanked the Equalities Manager for their work and dedication to tackling inequalities.

The Chair of the Health & Wellbeing Board noted that the beginning of the meeting had been paused to reflect upon recent events and the death of George Floyd. It was stated that there was understanding of people protesting and stating that enough was enough. Institutionalised racism

was abundant and it was not sufficient to hear of policies changing while real change was not being delivered. It was hoped that the coming weeks and months would see real change, including to the school curriculum to include the full story of colonialism, and work to tackle the issue of school exclusions of black boys.

Health inequalities were further raised as an area requiring real commitment to change. It was noted that the council needed to work with its partners and communities to implement a strategy that ensured people had a better start in life.

Members thanked the Cabinet Member for their passion for leading this piece of work. It was noted that objectives needed to be refreshed and that equality needed to be placed at the heart of all the council's work to make real changes to the lives of residents.

Concerns were raised that the report suggested that of the 31 targets in the 2016-20 Plan, only three had been met. Members suggested that data on performance against targets should be published and that meaningful targets should be developed.

In response, the Cabinet Member stated that the annual report was a calendar year report on progress made that year and was not a plotted trajectory. It was recognised that data collection had been highlighted within the peer review report and the council would work upon this going forward to ensure data collection was accurate.

The Cabinet Member noted that the report included emerging ideas on the new Equality Strategy, however consultation would take place to fully develop the targets and Strategy.

The Cabinet Member for Children, Young People & Learning welcomed the pause for 8 minutes and 46 seconds as an opportunity to reflect. It was noted that black people across the world had felt real pain and this needed to be addressed. It was a real opportunity to tackle the issue of inequality in every aspect of life including employment and education. The Cabinet Member stressed the importance of empowering and supporting young people and part of this included learning about who they are and their heritage. It was noted that it had been 40 years since Bob Marley sang Redemption Song at Crystal Palace and still inequality was experienced by so many. It was stressed that it was vital that this inequality was tackled in every part of life.

In response, the Cabinet Member for Safer Croydon & Communities stated that the report was central to all aspects of council activity. It was agreed that the current curriculum did not reflect all of our communities and should be reviewed. The Cabinet Member expressed frustration that after 40 years, the same differentials in experience were still present and that it was imperative that this time real change was made. Whilst it was

recognised that there deeply entrenched inequalities which were decades and centuries old, the Cabinet Member was committed to tackle them.

The Leader concluded by noting that equalities would run through the heart of all the council's activities including building an economic and sustainable agenda.

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

RESOLVED: To

1. Note the Equality and Inclusion Annual Report for 2019
2. Note the Equality Framework for Local Government (EFLG) Report 2019
3. Note the Stonewall Workplace Equality Index (WEI) Report 2019
4. Note the reports will be published on the Council's website
5. Note the work to develop an Equality Strategy

45/20

Children, Young People & Families Plan

The Cabinet Member for Children, Young People & Learning began by thanking everyone who had supported the work of improving Children's Services including; Eleanor Brazil, Martin Pratt, Di Smith, Ashely Sow and Councillor Shafi Khan. Their commitment to improving services had supported the council's achievement of being rated 'Good' in its latest Ofsted inspection.

The Cabinet meeting was provided with a presentation on the Children, Young People & Families Plan which had the theme of "a place where everyone matters" running throughout it. It was stated that it was integral that the council continued to tackle the challenges experienced to ensure no person was left behind. Members were informed that listening had been at the heart of the development of the Plan; 195 young people had been engaged in the course of over 25 face to face sessions.

It was noted by the Cabinet Member that the importance of recognising and celebrating diversity had been a theme running throughout the meeting that evening. It had been important during the development of the Plan that the final product was accessible and relatable by all with the use of plain English and the removal of acronyms and unnecessary text.

Members noted that there were three outcomes in the Plan and six priorities. Priority 1 ("I feel safe in my home, school and community") focused on building relationships with families to support the development of safe, happy and caring homes. Priority 2 ("I am supported to do well,

and access learning and work opportunities”) focused on ensuring that everyone had access to learning and employment opportunities, with a key focus being to support young people accessing work experience opportunities. Finally, Priority 3 (“I am supported to feel happier and healthier”) would focus on supporting young people to access nature and outdoor space to reduce stress and improve mental health. It was noted that there would be far reaching impacts of the lockdown on young people’s mental health and this would be monitored carefully.

Members were shown a draft of the Plan on a page which had been developed with the principles of accessibility, colour, images of children at different ages, ethnicities and those with disabilities, to ensure it was inclusive for all.

In response to Member questions, the Cabinet Member noted that covid-19 had shone a light on a number of inequalities within society, with child poverty being one such area. It was noted that during this period a number of families had struggled with paying for food and that this needed to be addressed.

The Cabinet Member stated that the council would work with school to carefully look at young people’s EHCPs to ensure the right level of support was being provided and, where appropriate, support levels would be increased to meet their needs.

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

RESOLVED: To

1. Recommend the adoption of the Children, Young People and Families Plan by Full Council.
2. Note the engagement and consultation that has been undertaken to develop this plan with children and young people, in addition to our partners, and organisations working with children and young people in Croydon.

46/20

Recommendations from the Citizen's Assembly on Climate Change

The Leader noted that the outcomes of the Citizen’s Assembly had shown that residents emphatically supported the climate change agenda. It was noted that the Chair of the Climate Change Commission would be invited to the July Cabinet meeting for a full discussion of the green agenda.

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

RESOLVED: To

1. Note the statements from the Citizen's Assembly.
2. Give approval for the recommendations from the Citizen's Assembly to be taken forward and actioned where possible by the Executive Director of Place in consultation with the Leader and Cabinet.

47/20

Stage 1: Recommendations from Scrutiny

The Chair of the Scrutiny & Overview Committee noted that a meeting had taken place in May 2020 which had looked at a number of areas including; finances, social care, mental health, impact on young people and homes. It was noted that a review had been requested by Scrutiny Members on the lessons learnt from the discharge of asymptomatic patients.

The Leader thanked Members and officers for supporting such an important meeting.

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

RESOLVED: To receive the recommendations arising from a joint meeting of the Scrutiny & Overview Committee and Health & Social Care Sub-Committee on 26 May 2020, and to provide a substantive response within two months (i.e. at the next available Cabinet meeting on 14 September 2020).

48/20

Investing in our Borough

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

RESOLVED: To note

1. The list of decisions pursuant to Part 5 A Article 1.7 (Urgency Decisions) of the Council's Constitution, made as relevant body by the nominated Cabinet Member in consultation with the Cabinet Member for Finance and Resources or, where the nominated member is the Cabinet Member for Finance and Resources in consultation with the Leader, as set out in section 4.1 of the report.
2. The list of delegated decisions for contracts and property acquisitions and disposals valued over £500,000 and that have not previously been notified or reported to Cabinet, made by the nominated Cabinet Member in consultation with the Cabinet Member for Finance and Resources or, where the nominated member is the Cabinet Member for Finance and Resources in

consultation with the Leader, to agree the award of such contracts, Leader since the last meeting of Cabinet, as set out in section 4.1.1 of the report.

3. The contracts between £500,000 and £5,000,000 anticipated to be awarded by the nominated Cabinet Member, in consultation with the nominated Cabinet Member for Finance and Resources or, where the nominated Cabinet Member is the Cabinet Member for Finance and Resources, in consultation with the Leader, as set out in section 4.1.2 of the report.

49/20

Exclusion of the Press and Public

The item was not required.

The meeting ended at 9.43 pm

For General Release

REPORT TO:	CABINET – 20 JULY 2020
SUBJECT:	Croydon Together: Update on our ongoing response to Covid-19
LEAD OFFICER:	Jo Negrini, Head of Paid Service
CABINET MEMBER:	Councillor Tony Newman, Leader of the Council
WARDS:	All
<p>CORPORATE PRIORITY/POLICY CONTEXT/AMBITIOUS FOR CROYDON:</p> <p>Covid-19 has had an unprecedented impact on a global scale, including the UK and Croydon. Our response has been wide ranging, as will the recovery, covering all aspects of the Corporate Plan, including:</p> <ul style="list-style-type: none"> • People live long, healthy, happy and independent lives: through our public health messaging, adult social care and support for vulnerable residents • Our children and young people thrive and reach their full potential: through our support for schools and families, particularly the most vulnerable • Business moves here and invests, our existing businesses grow: by paying government grants and support with business rates 	
<p>FINANCIAL IMPACT:</p> <p>There are no direct financial impacts arising from this report, which is for information. However, as previously reported and covered in separate reports on this agenda, Covid-19 has had a significant impact on the Council's financial position.</p>	
<p>KEY DECISION REFERENCE NO.: N/A</p>	
<p>1. RECOMMENDATIONS</p> <p>1.1. That the Cabinet note the report and the activities of the Council working with partners to respond to the impacts of Covid-19 across Croydon</p>	

2. EXECUTIVE SUMMARY

- 2.1 This report follows previous reports to Cabinet on 11 May and 8 June, detailing the impact that the Covid-19 pandemic was having in Croydon, and how the Council and our partners were responding to support residents and businesses across the borough.
- 2.2 Since the previous report, it is positive to note that the infection rate has reduced significantly. Focus has therefore shifted in earnest to supporting Croydon to reopen safely as part of the national roadmap, and to ensure that effective control plans are in place should there be any localised outbreak.

- 2.3 This report provides updates on key activities, including support for town and district centres to reopen safely, advice and guidance for businesses to operate safely. The report also provides an update on support for vulnerable people, following the government announcement that shielding will stop at the end of July.
- 2.4 Local authorities are required to develop local outbreak control plans and this report provides a summary of the approach at Croydon.
- 2.5 Covid-19 has had a significant financial impact on local government. Whilst this report makes reference to this issue, it is covered by a separate report on this agenda.

3. LOCAL CONTEXT

- 3.1 The Cabinet meeting has received regular comprehensive reports providing updates on the response to the Covid-19 virus. These reports provided background information on the pandemic, including the latest information on infections across the UK and locally in Croydon.
- 3.2 The June report outlined that national data appeared to suggest that the country had passed the 'peak' of the pandemic, with infection levels and deaths reducing consistently. This downward trend has continued throughout June.
- 3.3 In the two week period from 15-28 June, there were only 16 new cases of Covid-19 reported in Croydon. None of these cases were in Croydon Hospital and none were classified as new outbreaks (where there is a case in a care home, schools, workplace or homeless accommodation).
- 3.4 However, as the Director of Public Health has advised, this is a very dangerous stage of the pandemic. The virus is still circulating, but through social distancing we have reduced the infection levels. It is vital that residents and businesses continue to follow guidance carefully and protect themselves and others.

4. CROYDON RESPONSE - UPDATE

- 4.1 This section of the report provides brief updates on the key elements of the Croydon response. Croydon Council and partners within the Local Strategic Partnership (which is chaired by the Leader of the Council), have worked together to respond to the impact of Covid-19 in Croydon.
- 4.2 The Council's emergency response structure remain in place, including Gold and Coordination and Contingency Planning groups. The Borough Emergency Control Centre continues to support these structures, collecting, collating and disseminating information to support quick and informed decisions and to / from London structures. Dashboards are produced on a daily basis within the latest information across a range of indicators.

- 4.3 The Leader of the Council has continued to chair the Local Strategic Partnership, which as the infection levels have reduced has moved to fortnightly meetings.
- 4.4 As the government has eased lockdown restrictions, we are moving from the emergency response to the recovery phase (whilst still ensuring that vulnerable residents are fully supported). This has included a strong focus on reopening our town and district centres safely, and supporting those that have been financially impacted by Covid-19.

Supporting the safe reopening of our town and district centres

- 4.5 In line with Government guidelines, a number of non-essential retail outlets began opening from the 15 June with a further wave of openings of food service providers, pubs, bars and hotels opening from the 4 July. To prepare for this, Croydon Council worked in a cross-disciplinary way with a range of external partners to ensure the town and district centres are prepared and ready to welcome this reactivation in a safe and managed way.
- 4.6 For the town centre, weekly coordination meetings are held between key Council officers, the local Business Improvement District and the Police. Reporting into this group are wider meetings held with key stakeholders and partners, including Transport for London, Govia Thameslink Railways and other members of the Police.
- 4.7 Weekly coordination meetings are also held for the borough's district centres and high streets. As this area coverage is so wide, external partners are not invited to this meeting at the current time but meetings held with the BIDs, business and community networks and groups and ward members are fed into the discussions.
- 4.8 A weekly meeting focussed on licensing and enforcement also takes place to review the specific issues around supporting and enforcing businesses to follow the government's guidance; and to operate in a safe way, advised by the Police.
- 4.9 Updates on these activation plans are provided to the Council's Senior Leadership Team on a weekly basis with escalation of any key issues to the Council's Gold Coordination Group.
- 4.10 Through early consultation with our partners, the key themes for the activation plan were agreed as follows:
- Intelligence Gathering
 - Travel & Transport
 - Social Distancing Arrangements
 - Communications & Signage
 - PPE
 - Business Support
 - Street Cleansing & Waste Removal
 - Culture, Museum & Libraries
 - Community Safety

- 4.11 A number of work streams sit underneath these themes with clear ownership and timelines of each action established. A number of key activities have been undertaken to prepare for each stage of the re-openings, including analysis of the town centre and each district centre to identify key areas of concern or issues to be addressed.
- 4.12 We continue to work with the BIDs, local business networks and ward members to liaise with the stores open and planning to reopen to advise them on their roles and responsibilities with managing the government guidance on social distancing.
- 4.13 Meetings were held with transport providers (Transport for London; Govia Thameslink) to map out the measures needed to manage ingress and egress points to the town centre and district centres. This included looking at: potential re-routing of buses/trams around and within the town/district centre areas; possible closure of bus stops where social distancing will be challenging; speaking to GTR to understand the management of the pedestrian movements coming from/to East Croydon station; speaking to TfL about the management of the pedestrian movements coming from/to West Croydon Overground station; closure of some traffic lanes and movement of bus lanes to accommodate pavement widening. We are coordinating a communications campaign to share the key messages around social distancing with the messaging coming from TfL which will include a focus around our public transport nodes.
- 4.14 We have mapped the pedestrian routes between public transport nodes and 'anchor' stores to develop a routing and signposting strategy to manage pedestrian flow. This included understanding where ASB hotspots currently are/have the potential to be to ensure we can route pedestrian flows to avoid these.
- 4.15 The government guidance encourages people to walk or cycle wherever possible. This reduces the pressure on public transport and traffic, whilst also offering health benefits from exercise. We are therefore ensuring there is sufficient cycling access and cycle parking within and around the town centre to encourage more cycle access.
- 4.16 We know that some people will still travel by car, and we have therefore modelled traffic flow and potential congestion hotspots to consider traffic management interventions. This includes working with our construction logistics traffic management process to monitor vehicle access to construction sites and key gateway entry /exit points within the town centre at times of heavy traffic. We are reviewing parking capacity across the town centre in light of the need to reduce some on-street parking to make room for pedestrians.
- 4.17 We are working with Croydon BID and Croydon Voluntary Action to explore the opportunity to mobilise a team of volunteers to act as 'hosts' in the town centre (following the Olympic games makers model) to support the social distancing messages. This will give added assurance that people can visit the town centre safely.
- 4.18 Strong communications and engagement with businesses has been, and continues to be, critical. We have utilised regular Business newsletters to communicate and signpost to emerging government guidance and help

businesses understand what changes they need to implement for safe opening and operation. In relation to licensed premises, Pubwatch meetings were held to explore specific issues for public houses reopening safely.

- 4.19 With the Covid-19 situation still unfolding, weekly monitoring of these action plans takes place through the Coordination Group to ensure flexibility and adaptability of the key work streams should government guidance change over the weeks to come. Feedback will be used to identify any critical areas where levels of support may need to be reviewed

Adult services and care homes

- 4.20 Care homes remain a key focus in our pandemic response, whose vulnerable residents are at greater risk if they contract Covid-19. Croydon has the largest care home market in London, with 230 care providers, 126 care homes (63 of whom support older people).

- 4.21 Croydon's care homes, while under significant pressure are responding well in partnership with the council and health. Gold has received daily updates on the demand for beds, the capacity within the sector and the impact of Covid-19 on care homes (including numbers of suspected cases). Whilst it is positive that many care homes have told us that they have felt supported by the council, the scale of difficulties our care homes continue to face cannot be underestimated, particularly the emotional impact on families and care home staff where residents have lost their lives.

- 4.22 The council continues to support care homes closely to reduce infection rates and help them cope with the impact of the pandemic. This involves daily monitoring of key data reported by homes and regular calls to homes to see where extra support may be needed.

- 4.23 It is positive that throughout June we have seen a continued decline in both the number of homes reporting Covid-19 and the number of residents reported to have Covid-19 symptoms. This continues to be monitored closely, alongside new data around testing.

- 4.24 Croydon's system wide care homes support plan (linked to below) was submitted to central government on 29 May and outlines all the actions we have been taking across the partnership in Croydon to support our care homes.

<https://lbc-app-w-corpwebsite-p.azurewebsites.net/adult-health-and-social-care/care-homes-and-housing/care-homes-support-plan>

- 4.25 Two representatives from Croydon's care homes attend a weekly strategy group with council and health leads to provide helpful feedback challenge on the impact our support is having, and what more we need to do.

- 4.26 In order to support providers with the financial impact of the pandemic the Council has moved to paying 4 weeks in advance and given significant provider sustainability payment as upfront support to help care homes with Covid-19 related costs. In addition to this, the commissioning team have distributed over £2m of funding to our social care providers from central government (the Infection Control Fund).

- 4.27 A key area of work during the pandemic has been supporting our most vulnerable residents, including those that have been encouraged to shield and stay home at all times. The number of shielded residents in Croydon has increased from 11,616 in May to 14,814 as of 26 June (a 27.5% increase). The Council has used a variety of communication tools to contact them, including letters and written advice sent directly, telephone and text to contact everyone that is identified as needing to shield to confirm what support they require.
- 4.28 Support for vulnerable residents has been a partnership activity, with a network of voluntary and community groups across Croydon providing food, other essential supplies, shopping and befriending. The latter has been particularly important for residents that whose independence has been impacted by the pandemic.
- 4.29 The Government is providing food parcels to shielded residents direct from wholesalers. As of 26 June, there were 2,518 residents in Croydon that were registered as shielding and were unable to access supplies.
- 4.30 The Government has announced that shielding will end on 31 July and with it the food parcel service. At this point residents will be free to leave their homes and therefore secure their own supplies. Many residents, however, will be fearful having shielded for such a long time. We are therefore working closely with voluntary and community sector to prepare for this change, and prioritise support to the most vulnerable. Referrals will be made to Gateway services to ensure that residents have the full financial support they are entitled to as well, so that they can maintain their independence.

Gateway Services

- 4.31 All three existing Food Stops, a partnership between the Council, VCS and faith sector organisations, have continued to operate throughout Covid-19; at The Family Centre in New Addington, St Francis Church in Selsdon and Parchmore Methodist Church and Community Centre in Thornton Heath. A new Food Stop was launched in April at Old Lodge Lane Baptist Church (OLLBC) and they have each tweaked their service delivery in line with guidance such as implementing social distancing measures or introducing a delivery service. All Food Stops are going over and above, supporting over 240 households per week during the pandemic, and our thanks go to all the staff and volunteers providing these services.
- 4.32 The Council continues to coordinate food deliveries from FareShare. We have scaled up from our pre-Covid-19 service of 2.3 tonnes of food coming in to Croydon per week via two existing Local Collection Points to 6.3 tonnes of food coming in each week via four Local Collection Points.

Registrars and bereavement services.

- 4.33 The number of funerals has reduced significantly from the peak week of 11 May where the crematorium was operating at 97%. We are currently operating at 44% capacity which is slightly higher than usual for the time of year.
- 4.34 Both Local Mortality Group and Coronial Mortality Group have changed

frequency to fortnightly in line with the Excess Deaths Management Groups. Again frequency can be increased immediately as and when the need arises.

- 4.35 Risk assessments and plan has been agreed to make the Registrars section of the Town Hall safe and operate in accordance with government guidelines for the recommencement of birth registrations and notices of marriage. These resumed from 6 July and plans are in place to clear the backlog of approximately 1,200 unregistered births within the Borough over a 12 week period. The same approach is being undertaken to prepare for wedding ceremonies and to increase the number of mourners at funerals.

Access Croydon and Contact Centre

- 4.36 Access Croydon staff have been redeployed, including to the contact centre, where improved technology has enabled staff to receive calls whilst working from home seven days a week.
- 4.37 A dedicated Covid hotline and email contact has been established to assist with urgent enquiries. Over 3,800 contacts from have been received with an average waiting time of only 13 seconds, and 99% of calls answered. Calls to the general contact centre for June are at the same levels as the previous year.

Updated figures for Enablement:

- 4.38 In response to these areas of demand we have refocused our resources to offer fast turnaround on the impacts of Covid-19 on residents. From 23 March to 24 June, we have:
- Tripled our resource to meet new requests for free school meals. (3,200 assessments in April & May 2020, compared to 502 in same period last year)
 - Doubled our resource to meet the quadrupled demand for food vouchers and amenities. We have provided £47,392 in food vouchers, £8,974 emergency amenities funding, and £99,478 to facilities moves and furniture in new homes.
 - Opened our welfare rights hotline from 3 part days to 5 full days a week. Since doing this they have received 1,043 requests for support.
 - Provided advice and guidance to residents on the options available to them to protect their jobs/income/homes during lockdown. Our discretionary support team have received 2,826 phones calls and emails from residents in need.

Personal Protective Equipment (PPE)

- 4.39 The supply of PPE has been a global issue during the pandemic, and subject to significant media coverage. The increased demand for key items such as gloves, face masks and aprons has created problems for suppliers and providers.
- 4.40 The Council has provided advice and guidance on the use of PPE, in accordance with the government guidelines. This has included guidance for our own staff who continue to operate front line services, and key partners and providers (e.g. care homes).

- 4.41 A dedicated PPE team is in place to coordinate orders, secure PPE supplies and distribute stock. The team are also responding to enquiries, offers of donations (e.g. from local businesses) and requests for emergency supplies from providers such as care homes via a dedicated inbox.
- 4.42 The council continues to have sufficient PPE stocks to meet the needs of council staff and despite significant demand at no stage have services been impacted by a lack of PPE. Additional stocks of face masks have also been sourced for staff who are returning to work and planning to commute using public transport.
- 4.43 In addition, and where required, emergency PPE supplies have also been provided 7 days a week to suppliers at no cost (including care homes, home care providers, children's residential providers & supported living providers), particularly in adult services. As at 22 June, 307 emergency PPE supply packs had been given to providers (129 providers in total).
- 4.44 We have also supported over 100 providers to purchase larger stocks of PPE through a pan London procurement route.
- 4.45 In preparation for schools opening more widely in June the council also provided schools with packs of PPE essentials, to use in line with government guidance for education settings.

Business and supplier support

- 4.46 The Council has been working with our contracted suppliers during the Covid-19 outbreak to ensure services and supplies to the Council and people of Croydon are maintained, and that provider failure is avoided where possible. We established a Supplier Relief Framework to respond to requests from providers and to identify the support available according to the individual circumstances of the provider and nature of the service. In total we have supported 51 providers through the Framework, and continue to work with those providers to transition out of the emergency response phase and review service delivery over the coming year.
- 4.47 As the lock-down restrictions have started to ease, we have been supporting local businesses by providing information and guidance on sourcing PPE on our Value Croydon website, including tips on what to look out for when buying PPE, and how to assess their requirements

COVID-19 Outbreak Control Plans

- 4.48 With the relaxation of national lockdown restrictions and the implementation of the Government Test and Trace Programme, councils are required to implement measures to prevent, identify and contain COVID-19 outbreaks.
- 4.49 These local measures will build on existing local health protection plans and governance arrangements. The Director of Public Health is responsible for defining the measures and producing Outbreak Control plans but the formulation and delivery of these plans requires effective partnership work and stakeholder engagement.

- 4.50 The Test and Trace Programme is based on the premise that with lower infection rates and increased testing capacity, testing people with symptoms and tracing their contacts is an appropriate way to contain coronavirus without the need for such stringent population wide lockdown restrictions
- 4.51 The Test and Trace service includes four functions to control the virus: test, trace, contain and enable. People with symptoms will be encouraged to contact the NHS Track and Trace Service and will be sent a home test kit. If the test is positive, they will be required to self-isolate for 7 days. They will also be asked to provide details of significant contacts they have had; these contacts will also be required to self-isolate for 14 days. Local outbreaks will be managed by Public Health England in partnership with Local Authorities.

Croydon's Local Outbreak Control Plan

- 4.52 The purpose of Croydon's Outbreak Control plan is to save lives and reduce health inequalities by limiting the spread of infection in people living and working in Croydon from COVID-19.
- 4.53 The specific objectives of the Croydon Outbreak Control Plan are:
- **Governance:** Provide multi-agency oversight and accountability across Croydon through the appropriate governance structure for the development and delivery of this Outbreak plan.
 - **Outbreak management:** Support settings including care homes, schools and high-risk locations to prevent infection and to manage an outbreak to stop onward spread and to mitigate the consequences
 - **Vulnerable people:** To help people in our communities who are most vulnerable to protect themselves from infection and to enabling them self-isolation when required.
 - **Communications and engagement:** Build public confidence and trust in the track and trace approach and the system's ability to respond appropriately and respectfully to outbreaks of Covid-19.
 - **Data and intelligence.** To provide assurance that we can identify cases, outbreaks and hotspots rapidly, monitor their management, evaluate the effectiveness of interventions and meet local, regional and national reporting requirements. Further to understand the impact on different communities especially those who are at higher risk.
 - **Testing** – To enable those that most need it to access testing through the national offer and the development of a local approach that complements this.
 - **Contact tracing** – to supplement the national contact tracing system with local support and capacity drawing on knowledge of our local population.
- 4.54 A local multi-agency Covid-19 Health Protection Board and a public facing Covid-19 Engagement Board have been established to oversee the delivery of the Local Authority Outbreak Control responsibilities.
- 4.55 In order to ensure the Council and its partners are prepared to manage any local outbreaks, they have been involved in scenario planning exercises. These have initially focused on outbreaks in Care Homes and Schools and in subsequent weeks will focus on other high risk locations. The aim of scenario planning is to identify the key steps, actions, roles and responsibilities in preventing and managing an outbreak.

- 4.56 This has led to the development of locally agreed Standard Operating Procedures (SOP) and flowcharts detailing the steps that will be taken in an outbreak situation.
- 4.57 The key message from the Director of Public Health continues to the importance of good hygiene practices to continue to minimise the risk of Covid-19. Hand washing and social distancing remain key tools in tackling the pandemic.

Travel and transport

- 4.58 Croydon Council responded quickly to the Covid-19 Pandemic with an initial programme of measures implemented on streets in Croydon which included:
- **Low Traffic Streets:** Creating low traffic streets by stopping through traffic on some roads. Access is maintained for residents, deliveries and other essential journeys. This is designed to reduce traffic making it safer for residents to use the road near their homes while maintaining social distancing. Cyclists are exempt from the temporary closures giving them access to quieter streets.
 - **Expanded footways:** Creating more temporary footway space at narrow pinch points giving pedestrians and cyclists more space to help keep a social distance. This involves sections of the carriageway or on-street parking bays being cordoned off to provide more space for pedestrians and or cyclists.
 - **Speed awareness:** New signs reminding drivers to watch their speed put up in streets across the Borough.
- 4.59 At the same time a larger programme was developed (building on the first and responding to TfL's Streetspace Plan for London). The urgency associated with the bidding process for the TfL scheme meant that the Croydon bids totalling £1,720,000 had to be agreed under authority delegated to the Executive Director, Place.
- 4.60 The resulting programme looked to create cycling and walking routes away from the busiest street corridors, where possible. On these busy corridors, the competition for space is greatest. It is also where our district and local centres tend to sit and where space to facilitate social distancing within these centres is a priority. The resulting Programme includes:
- Semi-segregated cycle lanes on the London Road from Thornton Heath Pond to Handcroft Road (supported by a 20mph limit), with a cycle and pedestrian 'bypass' of the very busy southern end of London Road via a Low Traffic Neighbourhood to be achieved by closures (allowing cycle permeability) of Handcroft Road and Parsons Mead.
 - Linked Low Traffic Neighbourhoods from the north east of the Borough (Crystal Palace and South Norwood) to create quieter walking and cycling corridors into the Town Centre. These are to be largely created by means of street closures which allow cycle permeability, but at Auckland Road and Davidson Road they would also permit buses to pass.
 - Semi segregated cycle lanes along much of the Brighton Road from Purley towards the Croydon Town Centre. The proposals include retaining the bus lanes but these operating 24/7, and the introduction of a 20mph speed limit.

- More social distancing space at local shopping parades

4.61 At the time of drafting this £310,000 and had been awarded to Croydon for the majority of the first phase programme and a decision is still awaited regarding the larger second programme and funding request.

5 FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

5.1 Covid-19 has created significant financial pressures for local government, with increased expenditure and reduction in income. The resources required to support our pandemic response has also caused delay in delivering savings within the 2020/21 budget.

5.2 Whilst the Government has provided additional grant funding to local authorities, the LGA has indicated that, nationally, the estimated financial impact is four or five times the amounts committed by government so far. As such, Croydon's allocation within this does not cover the anticipated financial impact on the Council.

5.3 The financial impact of Covid-19 is set out fully in a separate report to this meeting.

5.4 The Council continues to maintain and manage a dedicated Covid-19 risk register, with regular reports to Gold to ensure the risks are well managed and mitigating actions is taken

Approved by: Lisa Taylor, Director of Finance, Investment and Risk

6. LEGAL CONSIDERATIONS

6.1 The Head of Litigation and Corporate Law makes the following comments on behalf of the Director of Law and Governance.

6.2 The Coronavirus Act 2020 is the government's main legislative change in response to the pandemic. Most of its provisions came into effect on 25 March 2020 but detailed further legislation in the form of statutory instruments and government guidance have been issued since that date and continue to be published. The Act has temporarily modified duties and powers relating to social care, mental health, registration of deaths, inquests, the regulation of investigatory powers, gatherings events and premises, the postponement of elections, virtual local authority meetings and protection from eviction. Other changes to existing legislation and statutory guidance continue to be monitored by the legal service as the lock down is eased and businesses begin to re-open.

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

7. HUMAN RESOURCES IMPACT

- 7.1 Covid-19 has had a very direct impact on people across Croydon, including staff.
- 7.2 As well as our responsibilities to residents, we have a duty of care to all staff. The Council has continued to ensure that staff have the guidance and equipment they need to carry out their work safely. This includes PPE.
- 7.3 Since 1 July, the Council has increased the staff operating from Bernard Wetherill House. Every member of staff completed a risk assessment with their line manager to identify those that needed, or would benefit from, returning to the office for work. The building has been redesigned with social distancing, enhanced cleaning and one way systems to minimize risks and support staff safety and wellbeing.
- 7.4 It is anticipated, however, that most staff will continue to work remotely wherever they can, and in line with Government guidance.

Approved by: Sue Moorman, Director of Human Resources

8. EQUALITIES IMPACT

- 8.1 The Equality Act 2010 requires the Council to have due regard to the aims of the Public Sector Equality Duty (the Equality Duty) in designing policies and planning / delivering services.
- 8.2 The three aims of the Equality Duty are to:
- Eliminate unlawful discrimination, harassment and victimization
 - Advance equality of opportunity
 - Foster good community relations between people who share any of the defined Protected Characteristics and those who do not.
- 8.3 Whilst there is direct and some indirect inequalities emerging in the wider community because of Covid-19, there are none arising from the content of this update report.
- 8.4 As set out in the previous Cabinet reports, the impact of the virus is far reaching. The combined and unprecedented impact on the local economy, on both businesses and the workforce, will continue to exacerbate inequalities in some areas, with some groups disproportionately impacted for the short, medium and long term. Data is increasingly emerging highlighting that younger people are more likely to experience reduced earnings or increased unemployment and furlough due to Covid-19.
- 8.5 Significant actions have been taken to safeguard vulnerable residents and certain population groups. In addition, the new Sustainable Croydon Economic Renewal Board has equality and inclusion as a core element of its remit.
- 8.6 The Government commissioned a review, led by the NHS and Public Health England regarding the disproportionate impact on BAME residents. It is apparent that the reason for the disproportionate impact of Covid-19 on BAME

residents is the underlying inequalities within our communities. The Council remains committed to tackling inequality. We are in the process of undertaking public engagement and consultation to agree renewed equality objectives for Croydon. We are also working with partners, with a joint equality and inclusion group being established by the Local Strategic Partnership.

Approved by Barbara Grant on behalf of Yvonne Okiyo, Equalities Manager

9. ENVIRONMENTAL IMPACT

- 9.1 There has been a noticeable improvement in air quality and pollution levels across Croydon (as well as London, UK and globally). This provides an opportunity to take action in order to maintain the improved environment.
- 9.2 The Council has introduced several low traffic initiatives that temporarily reallocate road space to better reflect the current use patterns and to create safer spaces for walking and cycling. These initiatives included Healthy streets, which closed streets prone to rat running and excessive speeds, and Exercise zones, with closures for part of the day to help residents enjoy traffic free environments. Further details are set out in the report.
- 9.3 The Croydon Commission for Climate Change has held its first meeting and at the request of the Leader of the Council, will focus its attention on short and medium term actions over the next 3 years.

10. CRIME AND DISORDER REDUCTION IMPACT

- 10.1 The police have continued to report a reduction in many crime rates during the Covid-19 pandemic.
- 10.2 Domestic abuse (physical and non-physical) and sexual violence has remained a key concern during the pandemic. The lockdown restrictions, limiting opportunities for people to leave their home also increased the risk that it is harder for victims to report crimes or request help.
- 10.3 The FJC service has continued to be delivered throughout the lockdown. The service expanded to offer 7 days a week provision, to maximize the opportunity for anyone to contact them for support.
- 10.3 The Council has worked with partners and issued regular communications to raise awareness of the services available.

11. REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

- 11.1 This report is for information only.

12. OPTIONS CONSIDERED AND REJECTED

- 12.1 This report is for information only. Therefore there are no options to consider.

13. DATA PROTECTION IMPLICATIONS

13.1 WILL THE SUBJECT OF THE REPORT INVOLVE THE PROCESSING OF 'PERSONAL DATA'?

NO

15.2 The Director of Policy & Partnership advises that this report provides updates only, with no decisions that impact on data.

Approved by: Gavin Handford, Director of Policy & Partnership

CONTACT OFFICER: Gavin Handford, Director of Policy & Partnership

APPENDICES TO THIS REPORT: None

BACKGROUND PAPERS: None

For General Release

REPORT TO:	CABINET - 13 JULY 2020
SUBJECT:	Responding to the Local Government Financial Challenge
LEAD OFFICER:	Jo Negrini, Head of Paid Service Lisa Taylor, S151 Officer Jacqueline Harris Baker, Monitoring Officer
CABINET MEMBER:	Councillor Tony Newman, Leader of the Council Councillor Simon Hall, Cabinet Member for Finance & Resources
WARDS:	ALL
<p>CORPORATE PRIORITY/POLICY CONTEXT/AMBITIOUS FOR CROYDON:</p> <p>Covid-19 has had an unprecedented impact on a global scale, including the UK and Croydon. Our response has been wide ranging, as will the recovery, covering all aspects of the Corporate Plan, including:</p> <ul style="list-style-type: none"> • People live long, healthy, happy and independent lives: through our public health messaging, adult social care and support for vulnerable residents • Our children and young people thrive and reach their full potential: through our support for schools and families, particularly the most vulnerable • Business moves here and invests, our existing businesses grow: by paying government grants and support with business rates 	
<p>FINANCIAL IMPACT:</p> <p>Covid-19 has had a significant impact on both the Council’s financial position, as well as the financial position of residents and businesses across the borough. This report outlines the actions being taken to reduce the substantial budget gap forecast as a result of Covid-19.</p>	
<p>KEY DECISION REFERENCE NO.: 2320CAB</p> <p>The decision may be implemented from 1300 hours on the 6th working day after the decision is made, unless the decision is referred to the Scrutiny & Overview Committee by the requisite number of Councillors.</p>	
<p>The Leader of the Council has delegated to the Cabinet the power to make the decisions set out in the recommendations below</p> <p>1. RECOMMENDATIONS</p> <p>1.1 Note the extraordinary financial context, as set out in the report;</p> <p>1.2 Endorse the further actions and governance arrangements which have been put in place, outlined in the report, to ensure the Council delivers within the 2020/21 approved budget;</p> <p>1.3 Note the statements from the Head of Paid Service, S151 Officer and Monitoring Officer; and</p>	

- | | |
|-----|---|
| 1.4 | Agree the principles informing actions to deliver within the 2020/21 approved budget. |
|-----|---|

2. EXECUTIVE SUMMARY

- 2.1 Reports to the Cabinet meetings in May and June 2020 provided details on the actions taken by the Council to respond to Covid-19 and support our local residents and businesses.
- 2.2 The pandemic has had a dramatic effect on Croydon, and the entire country. The public health emergency has quickly turned into an economic emergency. This is affecting businesses who have seen reductions in sales and cash flows due to the lockdown. It is affecting residents, with many furloughed on lower salaries and many losing their employment entirely. And it is affecting the council. As well as changing the way we deliver services, the way our staff operate, and how we work across the community, Covid-19 has had a dramatic impact on our financial position.
- 2.3 We have seen increases in demand and costs to support vulnerable residents. This will increase further as residents need support with housing and debt issues caused by the economic impact. This increased expenditure is coupled with reductions in income, creating an unprecedented budget gap in our 2020/21 forecast.
- 2.4 Nationally, local government has received approximately £4bn of additional funding. Whilst the additional funding is welcome, it is not enough to cover the budget challenges being identified by councils all over the country, with an estimated shortfall in excess of £6bn.
- 2.5 The council is taking urgent action to address the financial challenges, whilst continuing to prioritise the Administration's priorities and manifesto commitments. This report sets out our approach and provides a summary of the projects that have been established as immediate actions to reduce expenditure and increase income.

3. BACKGROUND

- 3.1 On 2 March 2020, the Full Council unanimously approved the budget for the 2020/21 financial year.
- 3.2 The budget reports were presented to the Cabinet on 24 February 2020. The report referenced the financial struggles of local authorities as a result of austerity measures. Local authorities across the country have had to balance rising demand with year on year real term cuts to grant funding from government. Croydon is therefore not alone in needing to deliver savings to protect front line services. However, Croydon does face some unique challenges.
- 3.3 Croydon is one of the capital's largest boroughs by population and, although situated in outer London, it has many 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. This, however, has subsequently resulted in Croydon seeing higher levels of poverty and homelessness, and need is becoming more complex.

- 3.4 Despite the challenging pressures facing Croydon, the Council has been consistently working to improve services with reducing budgets. Croydon is leading the way by looking to new and innovative ways of delivering public services. Central to this has been 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.
- 3.5 The Council has also been focused on strengthening our financial position in the medium to long term. The 2020/21 budget included proposals to increase reserves by £5m (a nearly 50% increase) and an increased contingency budget (from £2m to £3.7m).

4. COVID-19 IMPACT

- 4.1 Cabinet reports in May and June set out the unprecedented impact that Covid-19 has had in Croydon, as well as across the country and globe.
- 4.2 There has been significant additional pressure on services including:
- Adult social care, where approximately 15,000 residents have been identified as clinically vulnerable, and required to 'shield' at home. Vulnerable residents have also been minimising contact due to their age or medical condition. This has created a significant increase in cases for Adults Services.
 - Public health, which has a statutory function to coordinate responses to pandemics, with advice and guidance across every service, organisation and community.
 - Homelessness, where the council sourced additional emergency accommodation for all rough sleepers. The economic impact has also resulted in an increase in people needing support and advice in relation to housing, benefits and debt.
 - Education, where schools have need support to operate radically different following the closure to all but vulnerable children and children of key workers, and then plan for reopening with social distancing requirements to maintain.
- 4.3 Covid-19 has had a threefold impact on the Council's financial position:
- Additional demand in a number of services (as above):
This has resulted in higher than budgeted spend forecasts, with the Government appearing to backtrack on previous commitments to support all expenditure resulting from Covid-19.
 - Loss of income:
The lockdown has led to a dramatic reduction in income in service areas such as leisure and parking. This is affecting all councils and the financial pressure has been highlighted to government by London Councils and the

Local Government Association. However, to date, the government has offered no support in this area.

- Delay in realising savings:
The pandemic has required an emergency response, with resources redeployed to support key priority one services, and the additional requirements placed on the Council. The 2020/21 budget included a number of savings based on service transformation, which has not been possible during an emergency response.

- 4.4 The Government has recognised the impact that Covid-19 has had on public services across the country and announced £3.2bn of additional funding for local government in two tranches during the pandemic. A further £600m of funding was confirmed to support infection control measures within care homes. Croydon Council's share of this funding equates to £19.9m and £4.12m for Care Homes.
- 4.5 The Local Government Association and London Councils has identified that this funding, whilst welcome, covers only a fraction of the financial impact on local government. Every local authority, therefore, is facing a significant funding shortfall, including Croydon. As set out above, this issue has been repeatedly raised with government, including with evidence provided through the regular financial returns provided to the Ministry for Housing, Communities and Local Government.
- 4.6 Despite repeated statements from the Secretary of State and Minister for Regional Growth and Local Government that local government will be funded for all costs arising as a result of Covid-19, this is not forthcoming. There is therefore a substantial risk that the government will not fund all costs incurred as a result of Covid-19 and we know that our costs will be greater than the funding allocated to date.
- 4.7 Unlike national government, local authorities are unable to borrow to finance the additional service costs resulting from the Covid-19 response. Services must be delivered within the budget envelope approved by Full Council. As a result, urgent action has been taken to identify opportunities to reduce spending across the council.
- 4.8 As at the end of June 2020, the cumulative impact of additional spending, unachievable savings, and reduced income resulted in an overspend forecast of £65.4m for 2020/21 (see table below). This represents 8% of the budgeted gross expenditure, or 20% of the budgeted net expenditure. Whilst this forecast is based on the best estimates at the time of writing, the impact of Covid-19 continues to develop and the position may, therefore, get worse.

	£m
Additional Expenditure	26.293
Unachieved Savings	31.747
Lost Income	27.308
Total	85.348
Funding	-19.926
Gap	65.422

4.9 Local government was already underfunded before Covid-19, and we have consistently delivered savings, efficiencies and transformation. However, the pandemic means that we are spending more have seen income reduce and been unable to deliver our planned savings. Urgent action is therefore required to respond to this unprecedented financial challenge. The Finance Review Panel are working on this with a number of projects focused on immediate action. (see section 6)

5. OUR APPROACH

5.1 Our Corporate Plan is focused on providing the services and support that enable everyone to have the opportunity to succeed, particularly the most vulnerable. Covid-19 has had a dramatic impact on our communities, but it is clear that the impact is not equal. Many of our most vulnerable have been impacted the most. Our Corporate Plan commitments, therefore, must remain as our key focus. The Corporate Plan has always recognised that this would need to be achieved with less resources and significant change within the organisation, and with the way we work with our partners.

5.2 With this focus, a number of clear principles have been agreed with the Leader and Cabinet to inform our approach:

- We must deliver the same outcomes with less money.
Our residents and businesses continue to need support. The outcomes will, however, need to be delivered differently. There will be a strong focus on the delivery of integrated work with partners.
- Our localities approach must meet the needs of residents and communities more effectively and efficiently
Our transformation in this area will be accelerated and includes a greater focus and shift in resources to prevention and early intervention, ensuring a sustainable base for our services and tackling inequalities across Croydon.. Our localities approach enables us to harness neighbourhood action, mutual aid groups, voluntary and community groups – all coming together in a grassroots network to support vulnerable people.
- We must not allow our statutory services, particularly Children’s Services, to move backwards
- It is critical that we continue to support statutory services and social workers, with case work managed effectively

5.3 Whilst the scale of the financial challenge means that there will be difficult decisions, which will impact on our staff and the way we deliver our services,

we remain committed to delivering the commitments within our Corporate Plan, which drew on the ambitions of the administration as set out in their manifesto.

6. OUR WORK TO DATE

- 6.1 There has been a sustained reduction in local government funding by central government over the last decade. This has placed significant pressure on councils across the country to reduce income and identify new and increased income sources. The Council is therefore always looking at opportunities to deliver improved outcomes more efficiently. The scale of the challenges created by Covid-19, however, mean that we must deliver more savings, and faster than planned.
- 6.2 In developing the 2020/21 budget, as approved by council, the Executive Leadership Team utilised Agile methodology to run a series of sprint sessions to identify a wide range of savings and efficiency opportunities. Sprint sessions covered a range of areas and will continue to be a method utilised.
- 6.3 These sessions informed a number of the budget proposals within the 2020/21 budget. However, as set out above, the ability to deliver these savings has been impacted by Covid-19, with resources diverted to the pandemic response. As we move to the recovery phase, actions have been taken to review these as well as identify further opportunities for savings to respond to the financial challenge set out above.

Finance Review Panel

- 6.4 The Council has established a Finance Review Panel to undertake a full root and branch review of the council's financial governance, strategy and planning, leadership, decision making, management and group company structures.
- 6.5 The Finance Review Panel has an independent chair, Duncan Whitfield. Mr Whitfield is the Strategic Director of Finance and S151 Officer at the London Borough of Southwark. Other external appointments to the panel are Matthew Kershaw (Chief Executive at Croydon Health Services NHS Trust) and Debbie Warren (Chief Executive at the Royal Borough of Greenwich). These members bring external expertise and constructive challenge to the process, alongside our External Auditors who have supported the approach, attend each panel and as part of their role have the opportunity to feed in their views to the panel.
- 6.6 The Cabinet Member for Finance and Resources and the Deputy Leader and Cabinet Member for Gateway and Homes are members of the Panel. The role of the Finance Review Panel is to make recommendations to the Leader and Cabinet Member for Finance and Resources and, through them, to Cabinet.
- 6.7 As part of the review, the Panel has recommended short term options to minimise spend and where possible generate income. It will also review options for refreshed savings proposals to deliver in year 2020/21.
- 6.8 A number of projects have been established under the finance review programme to deliver immediate actions to tackle the financial challenge across the following areas:

- Staffing
- Cross cutting areas
- Assets
- Contracts
- Income
- Demand management

- 6.9 The nature of our services mean that staff costs account for a significant proportion of our net expenditure and therefore any programme to deliver significant savings needs to consider staffing. A recruitment freeze has been initiated and includes permanent, fixed term and agency/consultant staff. We are also reducing the numbers of agency staff in all areas unless work is demonstrably essential and cannot be delivered otherwise. Departments have also set out plans for permanent 15% reduction in their establishment. Priority has been given to the deletion of vacant posts and termination of agency contracts. This is also being supported by a targeted voluntary redundancy scheme option, part-time options, flexible retirement, and redeployment in order to minimise compulsory redundancies. The formal 45 day consultation on these proposals commenced on 6 July.
- 6.10 Budget holders have been instructed to stop all non-essential expenditure, such as travel, overtime and non-essential supplies. Any planned projects will be reviewed and typically deferred unless they contribute net savings. All savings in the 2020/21 budget are being reviewed and additional action taken to deliver these. Any growth within the budget is also being reviewed and where possible deferred. Also being reviewed are savings proposals that were worked up for the 2020/21 budget but not incorporated for various reasons.
- 6.11 All departments have been asked to identify additional proposals for in year spending reductions. These may be efficiencies or service reductions, as well as any income generating proposals. Income generating services will also be reviewing their fees and charges. We are also exploring the option to apply to the Ministry for Housing, Communities and Local Government to further capitalise revenue expenditure, recognising the extraordinary situation due to Covid-19.
- 6.12 Staff have adapted well to working from home, and regardless of the timescales for the relaxing of lockdown measures, we anticipate a higher proportion of staff working from home will continue for the foreseeable future. We are therefore identifying savings that result from this consolidated new ways of working, and look at opportunities to accelerate the digitisation of council services.
- 6.13 One of Croydon's strengths is the relationships we have with our incredible local partners. These partnerships and strong relationships have been particularly effective in supporting our most vulnerable residents during the pandemic.
- 6.14 These partnerships will continue be the foundation of the changes we are making. With some of these practices already in progress, we are accelerating the implementation of our localities model, which will deliver services according to the different needs and demands of our communities across Croydon. The localities approach has been in development and we will implement new structures to mainstream this approach across services. This will be combined

with further work to look at opportunities for greater partnership working with the NHS and community partners to deliver a new model of integrated care for vulnerable residents on a locality basis and in the longer term, and options for shared services.

- 6.15 The council has a large capital programme and we are reviewing all expenditure. In particular we will be looking at what expenditure can either be reprofiled or stopped.
- 6.16 Our placements represent a very substantial cost for the Council. Accordingly, there will be a significant focus on reviewing placements, including stepdown, close financial management of placements and improved end-to-end processes.

Programme Management Office

- 6.17 A new programme management office (PMO) has been established to coordinate delivery of a number of different programmes and projects.
- 6.18 The PMO has brought together staff from across the organisation with a range of key skills, including multiple project management methodologies, financial analysis, user experience, business process reengineering. The team provide the resource and expertise to support ELT and Directors in driving programme and project performance, track and monitor progress, and provide regular reports and recommendations.
- 6.19 The PMO will use Agile programme and project management by default, but can utilise other methodologies where appropriate. The Agile method ensures that the projects have clear objectives and measureable performance indicators, but retain flexibility to adapt and overcome challenges swiftly as the project is delivered.
- 6.20 The PMO has established or is supporting the following programmes:
- Finance review
 - Localities implementation
 - Systems and process improvements
 - Sustainability
 - Equalities and inclusion
- 6.21 A financial tracker and dashboard have been created to provide clear, regular updates to the Finance Review Panel. This approach ensures that we are tracking performance and financial impact at every step.

7. STATEMENT BY THE HEAD OF PAID SERVICE

- 7.1 As recent reports to Cabinet have demonstrated, the Council responded rapidly to the impact of Covid-19 on our most vulnerable residents and communities.
- 7.2 Now the Council is responding rapidly to the impact of Covid-19 on local government finances, which is a significant risk to our ongoing service delivery. Failure to act would create an unsustainable budget which would ultimately lead to poorer outcomes for our residents.

- 7.3 This report sets out the wide range of actions being taken to ensure the Council delivers our statutory and non-statutory services within the budget envelope agreed by Council. We will deliver these outcomes differently, and the changes that we need to make will be difficult. However, we must change in order to overcome this unprecedented financial situation and still deliver the best outcomes for our residents at a time when they will need more support than ever.
- 7.4 I, along with my Executive Team, are very proud of how our staff have adapted and innovated in our response to the Covid-19 pandemic. We will continue to adapt and innovate as we deliver the proposals outlined in this report. The result will be a sustainable organisation that remains focused on resident outcomes, working with partners and the community themselves, to adapt and respond to the specific needs in different localities.

8. STATEMENT BY THE S151 OFFICER

- 8.1 In the budget report to Cabinet on 24 February 2020, my statutory Section 151 Officer statement included the following:

“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”.

- 8.2 This statement was made on the basis of the challenging financial position already facing local government following years of sustained reduction in Government funding. The Covid-19 pandemic has brought unprecedented financial challenges that has left all councils facing a substantial budget shortfall in 2020/21. As well as the additional costs in supporting vulnerable residents, the lockdown resulted in a dramatic reduction in revenue income and our inability to deliver proposed savings.
- 8.3 Like many councils, this has created a substantial overspend in our budget outturn forecast for 2020/21. In my role as the Statutory S151 Officer, I am required to take action to control expenditure where:
- A council forecasts that expenditure exceeds available resources
 - There is no credible plan in place to bring spending within the resource envelope
- 8.4 This report outlines what, in my opinion, is a credible plan to reduce our spending in year and close the budget gap. This plan must be implemented as a matter of urgency. This will require difficult decisions, and for us to make changes at pace.
- 8.5 We will be closely monitoring progress against the various projects, as well as overall expenditure. I will be providing regular reports to the Finance Review Panel and to all Councillors. If we fail to deliver the actions and bring expenditure within our budget envelope, I will be required to take further action in my role as statutory S151 Officer and issue a S114 notice.

9. STATEMENT BY THE MONITORING OFFICER

- 9.1 My fellow statutory officers have emphasised the unprecedented situation that is facing local government, and therefore Croydon Council.
- 9.2 This report has outlined our plans to address the financial challenges created by Covid-19. Critical to our success will be effective resourcing and monitoring of the projects and changes required.
- 9.3 We have created a dedicated programme management office, with the skills and expertise to support us to deliver change at pace. They have swiftly established a large number of programmes and projects with named sponsors and lead Directors to manage delivery. Performance dashboards and trackers are in place so that we can easily see progress against plan, and to take action to address any delays or shortfalls.
- 9.4 The Finance Review Panel has been established to ensure strong political oversight of the actions. The panel also includes external expertise to add additional robust challenge but also bring external ideas and best practice to our response.
- 9.5 Regular updates will continue to be provided to Cabinet and all Councillors on progress. I am confident that the governance structures are robust and will provide clear and transparent progress reports.

10. CONSULTATION

- 10.1 This report has been completed following consultation with the Leader of the Council and all Cabinet Members.
- 10.2 The Chief Executive, S151 Officer and Monitoring Officer have also provided briefings to the Leader of the Opposition.
- 10.3 Staff consultation will be undertaken as required, and set out in the human resources implications below.

11 FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

- 11.1 As detailed in this report the financial impact of COVID-19 is significant for all local authorities and the government has recognised that local authorities need financial help, along with the NHS, local businesses and resident.
- 11.2 As previously reported to this Cabinet the level of funding received by Croydon Council to date for general Covid-19 costs is £19.9m. Whilst this funding is very welcome we know that it will not be enough and our last return to MHCLG indicated an estimated £65.4m funding gap in 2020/21 after receipt of this funding.
- 11.3 Work is underway to reduce this funding gap and the Finance Review Panel are working on a number of projects to reduce costs, increase income and deliver savings, alongside continuing conversations with government in relation

to further funding.

- 11.4 We have also received funding for a number of specific work streams as follows:
- £57.4m for grants to small business and those in the retail, leisure and hospitality sector, this amount includes £2.8m which can be allocated at the discretion of the local authority based on pre-determined criteria set locally by Croydon Council.
 - £4.1m for Care Home infection control.
 - £1.99m for Test, Track and Trace.
 - £4.4m for Council Tax Hardship support.
 - £342k to support the opening of our high streets
- In all cases, these can only be spent on the specific are of expenditure, which would not have been incurred were it not for Covid-19.
- 11.5 The government has also announced numerous other funding including £100m to support rough sleepers and £1bn to support schools with lost teaching time and tutoring. The allocation of these funding sources is yet to be confirmed.

Risks

- 11.6 There continues to be a risk that the plans being developed are not sufficient to fund all costs and the government does not provide enough funding to Croydon. If this is the case and we are unable to balance the budget we will have no choice but to issue a S114 notice. At the time of writing this report, this is not the case and we are confident that we will be able to implement savings and solutions with government to balance the budget in 2020/21 and develop a robust MTFS for the future.
- 11.7 There is also a risk that the impact of this pandemic will have a financial impact on the Council for years to come, this will be the case if the government do not provide Council's with sufficient funding to cover costs in year and instead allow council's to borrow monies, a similar approach to that taken with the NHS.

Options rejected

- 11.8 Do nothing was not an option, and the fast action to reduce costs and explore savings and income generating options was taken quickly and in a managed manner with expert advice and challenge from other industry experts and partners.

Future savings/efficiencies

- 11.9 We recognised early in this pandemic that we needed we could not do nothing and acted early to set up the Finance Review Panel and put in place a programme of projects. It is this work and our on-going conversations with MHCLG that are instrumental in us having a plan to manage our budget and prevent the issue of a S114 notice.

Approved by Lisa Taylor, Director of Finance, Investment and Risk.

12. LEGAL CONSIDERATIONS

- 12.1 The Head of Litigation and Corporate Law comments on behalf of the Director of Law and Governance and Deputy Monitoring Officer 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 Head of Paid Service is responsible under the Local Government and Housing Act 1989 section 4(2) and (3) for preparing reports on the way the council's staff is organised, on the council's staffing needs and on the co-ordination of the way in which the council's functions are discharged.
- 12.3 The Chief Finance Officer (CFO) appointed under requirements within section 151 of the Local Government Act 1972 is responsible for ensuring the financial probity of the local authority. The Local Government Finance Act (LGFA) 1988 requires the CFO to make reports accordingly to which the council or their executives must have regard in consultation with the Head of Paid Service and Monitoring Officer. This includes the power to issue a report under section 114 (3) of the LGFA if it appears to her that the expenditure of the council incurred (including expenditure it proposes to incur) in a financial year is likely to exceed the resources (including sums borrowed) available to it to meet that expenditure.
- 12.4 The Monitoring Officer appointed under requirements within section 5 of the Local Government and Housing Act 1989 is responsible for ensuring the correctness and propriety of the council's decisions and that the authority does not breach any requirement imposed by statute or perform any maladministration or injustice actual or potential. The Monitoring Officer may prepare a report on any actual or potential illegality in consultation with the Head of Paid Service and Section 151 Officer. The Monitoring Officer also has a key role in relation to the promotion of the ethical framework amongst members.

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 implementation of the proposals will in a number of instances necessitate a change of structure and skill mix of staff and/or change of working practices. The full impact in the proposals will be a net reduction in the number of staff and salary expenditure. We will seek to minimise the level of compulsory redundancies. The table below sets out the FTE impact.

	FTE reduction
Posts held by permanent staff	151.1
Vacant posts / agency	235.4
Total post reductions	410.5

- 13.2 Full engagement and consultation will be undertaken with the unions and staff as required. We have ensured early and active involvement of our recognised Trade Unions as the projects and proposals have developed.
- 13.3 Where restructures or transfers are proposed the Council's existing policies and procedures must be observed.

Approved by: Sue Moorman, Director of Human Resources)

14. EQUALITIES IMPACT

- 14.1 The Equality Act 2010 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.
- 14.2 The three aims of the Equality Duty are to:
- Eliminate unlawful discrimination, harassment and victimisation
 - Advance equality of opportunity
 - Foster good community relations between people who share any of the defined Protected Characteristics and those who do not.
- 14.3 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.
- 14.4 The Council recognises that it has to make difficult decisions in order to reduce its overall expenditure to deliver within the approved budget while at the same time ensuring that it is able to respond positively to increases in demand for essential services. As part of the decision making process, we will be guided by the broad principles of equality and inclusion and will carry out and publish equality impact assessments on each project to secure delivery of the Council's equality duty, prior to implementation, including such consultation as required.

Approved by: Barbara Grant on behalf of Yvonne Okiyo, Equality Manager

15. ENVIRONMENTAL IMPACT

- 15.1 Sustainability will remain a key priority for the Council. All services will continue to be required to deliver improvements to the Council's sustainability and environmental impact.

16. CRIME AND DISORDER REDUCTION IMPACT

- 16.1 The Council remains committed to working with our partners to improve community safety across the borough.

17. REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

- 17.1 The Council has set a budget for 2020/21 to support the costs of providing all of our services. This budget has been severely impact by Covid-19.
- 17.2 The Council needs to protect its limited financial reserves, and therefore it is essential that expenditure remain within the approved financial envelope.
- 17.3 The recommendations outline how the Council will remain within the approved budget for 2020/21,

18. OPTIONS CONSIDERED AND REJECTED

- 18.1 The actions outlined within this report are necessary and urgent. Many other councils are taking similar actions. Where they have larger reserves, they may absorb some costs, but this is not possible at Croydon.
- 18.2 The Council continues to raise the matter with Government, both directly and via London Councils and the Local Government Association to argue for additional funding for local government. This option, however, is not guaranteed and as a result the actions outlined in the report must continue.
- 18.3 It should be noted that any proposal that is not delivered will need to be replaced with an alternative proposal delivering equal financial impact whilst protecting Corporate Plan outcomes.

19. DATA PROTECTION IMPLICATIONS

19.1 WILL THE SUBJECT OF THE REPORT INVOLVE THE PROCESSING OF 'PERSONAL DATA'?

NO

- 19.2 The Director of Policy & Partnership advises that this report provides updates only, with no decisions that impact on data.

Approved by: Gavin Handford, Director of Policy & Partnership

CONTACT OFFICER:	Jo Negrini, Head of Paid Service
APPENDICES TO THIS REPORT:	None
BACKGROUND PAPERS:	General Fund & HRA Budget 2020/21 (Report to Cabinet on 24 February 2020)

Agenda Item 7

For general release

REPORT TO:	CABINET 20th JULY 2020
SUBJECT:	JULY FINANCIAL REVIEW
LEAD OFFICER:	Lisa Taylor, Director of Finance, Investment And Risk (Section 151 Officer) Jacqueline Harris Baker, Executive Director Resources
CABINET MEMBER:	Councillor Tony Newman The Leader Councillor Simon Hall Cabinet Member For Finance And Resources
WARDS:	ALL
CORPORATE PRIORITY/POLICY CONTEXT: <p>A regular review of the Council's Financial plan enables a balanced budget target to be established with a focus on an affordable level of council tax, delivery of the corporate priorities and policies of the Council and the continued enhancement of value for money and satisfaction with services for the residents of our borough.</p>	
FINANCIAL SUMMARY: <p>This report sets out the financial outturn for 2019/20 for revenue, capital and the Housing Revenue Account. It updates on the current position of the council's Revolving Investment Fund (RIF) and the overall financial standing of the council.</p> <p>The report also provides detail of the financial impact of the Covid19 pandemic, the returns to MHCLG and funding that has received to date. As well as the work being undertaken to ensure the budget is managed.</p> <p>Due to the ongoing nature of the pandemic and the current uncertainty surrounding government funding and future costs the forecast will be subject to change and regular update reports will be provided to the Cabinet.</p> <p>The report also considers the council's approach to medium term financial planning and annual budget setting and the forecast budget pressures in the current financial year due to the impact of Covid19, which have occurred due to a significantly reduced level of income, increased costs, and the inability to deliver a large number of the savings that were approved in the 2020/21 budget.</p>	

FORWARD PLAN KEY DECISION REFERENCE NO. 2220CAB

The decision may be implemented from 1300 hours on the 6th working day after the decision is made, unless the decision is referred to the Scrutiny & Overview Committee by the requisite number of Councillors.

The Leader of the Council has delegated to the Cabinet the power to make the decisions set out in the recommendations below

1. RECOMMENDATIONS

It is recommended that Cabinet approves:

- 1.1 The approach to ensuring the financial challenge of the financial year 2020/21 is managed efficiently and effectively including delegation of decisions on measures to deliver the 2020/21 budget to the Cabinet Member for Finance and Resources in consultation with the relevant Cabinet member.
- 1.2 The amendment to the capital programme as detailed in section 8.
- 1.3 The continued use of capital receipts for funding transformation as detailed in section 9.
- 1.4 The approach to dealing with the financial impact of Covid19, including the financial returns to MHCLG and the discussions with them.
- 1.5 The principle of the agreement to enter into a loan with M&G for investment in affordable housing as set out in section 11.

That Cabinet Notes :

- 1.6 Final outturn of the 2019/20 revenue budget as detailed in section 3.
- 1.7 The final outturn of the capital programme for 2019/20 as detailed in section 3.
- 1.8 The slippage within the capital programme from 2019/20 into 2020/21 is under review. Approvals being sought will be presented to Cabinet as part of the Q1 financial monitoring report. The current agreed capital programme is detailed in Section 8.
- 1.9 The update on the Revolving Investment fund as detailed in section 3.15.
- 1.10 The changes being proposed for the budget setting process and Medium Term Financial Strategy (MTFS), and that more details will be presented to the cabinet in September 2020.

2. EXECUTIVE SUMMARY

- 2.1 The Council's budget for 2020/21 was approved by Full Council on the

2nd March 2020 (Minute A86/20), as part of the annual budget setting cycle of the Council. The Covid19 pandemic which started to take effect just before the beginning of the new financial year has had a considerable impact on all services of the Council and the national and local economy.

2.2 This report provides an update of progress towards ensuring the financial challenges are managed in the most effective way possible and provides an update on the:

- Council funding.
- The Council's overall financial position including the 2019/20 outturn position;
- The Council's strategy and planning for delivering the 2020/21 budget in light of COVID19 and any resultant impact of this on future years together with the series of projects being developed and implemented to reduce the financial pressures the council faces.
- The proposals around the annual review and refresh of the MTFs and the timetable for implementation of the MTFs and future budget setting.
- Capital Programme and use of capital receipts to fund transformation.
- Details around the agreement being put into place to enter into a loan for investment in affordable homes.

2.3 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 the 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.

2.4 Since 2011/12 and the start of austerity grant funding for Croydon has reduced by 75, which is £105m. The 2020/21 settlement showed 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 however a real terms cut, although it compares favourably with 2019/20 when the SFA was reduced by £7.8m or 8.2%.

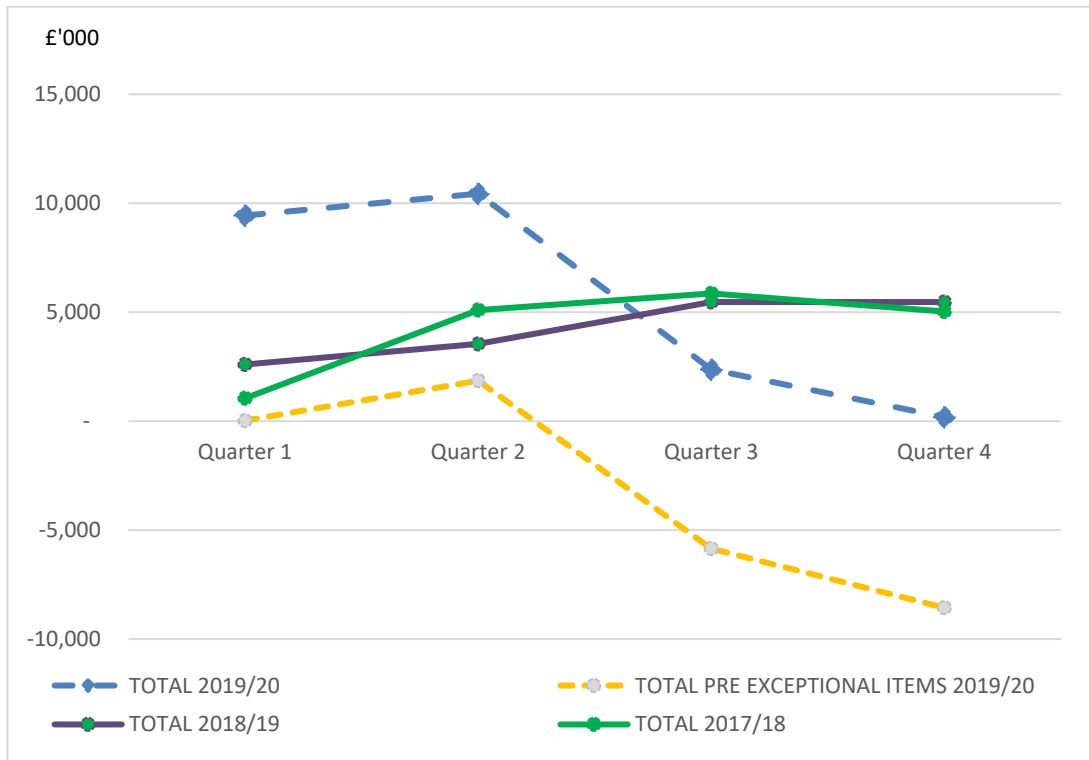
2.5 Croydon is ranked at number 20 in the funding table per head of London, receiving £220 per head in 2020/21, whereas neighbouring Lambeth received £430 per head. If Croydon were funded at the London average of £297 per head for 2020/21 it would receive an additional £32m. And if Croydon were funded at Lambeth's levels, it would receive over £80m extra,

2.6 Croydon has received an average funding amount of £247 per head over the five year period; this compares to the London average of £326. It is

clear from these funding figures that we are inadequately funded for a borough of our size and with our complexities. This underfunding puts enormous pressure on our ability to deliver services and has resulted in the need to undertake significant savings programmes annually.

- 2.7 Throughout 2019/20 the Cabinet have been kept informed of the Council's budget position and forecast outturn with regular reports presented to Cabinet. The Cabinet have been informed through these reports of the financial and service pressures that we have been facing and managing. The main areas of service demand pressure and therefore financial pressure continue to be Adult Social Care, Children's Social Care, Unaccompanied Asylum Seekers (UASC) and Housing in relation to Emergency and Temporary accommodation.
- 2.8 The revenue outturn for 2019/20 is an underspend before exceptional items of £8.563m (less than 0.1% of gross departmental expenditure), there are exceptional items of £8.749m, leading to an overall overspend of **£0.186m**. Exceptional items are UASC costs and are shown in this way as we continue to believe that these should be fully funded by the Home Office as they represent a national duty and should not be a cost to the Croydon tax payer.
- 2.9 This final outturn is lower than that forecast at quarter 3. The main reasons for the variations compared to quarter 3 are around an improvement to below the line items and a significant adverse movement in Children's Families and Education. The 2019/20 outturn is detailed in graph 1 below and section 3 of this report. Cabinet should note that the overspend has been funded by drawing down from general fund balances 2019/20.

Graph 1 – Forecast Revenue outturn for 2017/18 – 2019/20 by quarter.



2.10 It can be seen from graph 1 that work has been ongoing to try and reduce the impact of the pressures through the year, which includes:

- 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.
- Continuation of the Gateway service and the move towards delivering services in localities.
- Continuation of the Think Family Programme, focusing on the cohort of most expensive households who use multiple council services, to make efficiencies through a joined up approach.
- Review of capitalisation and use of transformation funds.
- 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 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 services provided by external contractors.
 - Increased controls on recruitment and agency staff.
 - Reduction in the use of agency staff in all departments.
- 2.11 We have also continued to make a concerted drive for fairer funding for Croydon. As previously reported to this Cabinet we have continued to engage in all consultations with the government and will continue to do so to ensure Croydon's views are represented. This ongoing communication has resulted in the Home Office recognising that local authorities have been underfunded for UASC and have recently announced an increase in funding rates from 1st April 2020. It is estimated that this will result in an additional £4m of funding for Croydon in 2020/21. Whilst this is very welcome news it will still leave a shortfall on UASC costs incurred in Croydon of some £5m (as well as increasing our NRPF costs) and we will continue to lobby for all costs to be funded.
- 2.12 As reported to this cabinet in February 2019, 2019/20 was the last year of the four year government funding agreement. The settlement for 2020/21 was disappointingly only a one year settlement. With the final Local Government Finance Settlement being published on 6th February 2020. It was based on the Spending Round 2019 funding levels, with individual authority allocations based upon Spending Review 2015 and subsequent funding announcements. One year funding settlements make it incredibly difficult to accurately plan ahead for the medium term. At the time of writing this report the funding settlement for 2021/22 is unknown.
- 2.13 As detailed in the budget report presented to Cabinet in February 2020, to set the balanced budget for 2020/21 we had to make a number of key assumptions around the level of growth for areas where demand and cost have increased, alongside an extensive savings programme and increases in income to offset this increased growth. These are detailed in table 6 below. The impact of the Covid19 pandemic has put significant pressure on these plans, and it is forecast that we have a £65.4m budget gap this year. The funding gap for London is estimated at £1.9bn, and nationally it is estimated to be £7.2bn. Some 80% of councils are saying that they are unlikely to be able to manage and are close to issuing a S114 notice.
- 2.14 Very early on in the pandemic we recognised that its impact was going to be extremely significant on the delivery of services and the budget and so

as detailed in the report called Responding to the Local Government Financial Challenge on this agenda we established a finance review panel to undertake a root and branch review of all elements of the council's finances.

3. FINANCIAL PERFORMANCE 2019/20

Revenue position

- 3.1 2019/20 continued to be a very challenging year and was the ninth successive challenging financial year of austerity. The magnitude of government grant cuts resulting again in a high level of savings needing to be achieved to balance the budget. The outturn position through a number of in year interventions to reduce costs and increase income, and despite the exceptional costs in respect of Unaccompanied Asylum Seeking children the year end revenue position for the Council was an overspend of £0.186m. This is lower than our predicted projections reported to Cabinet at quarter 3 as shown in graph 1 of this report.
- 3.2 The measures detailed in the Executive Summary have played an important part in controlling the Council's expenditure during 2019/20, with the final outturn position being £0.186m overspent, an improvement compared to the forecast as at quarter 3. This small overspend has been funded from our general fund balances, bringing these down only slightly from £10.4m to £10.2m at the end for 2019/20. Earmarked reserves have increased by £6.9m to £21.1m. A number of targeted funding streams have continued to be drawn out of reserves in 2019/20 to support delivery mainly around the transformation agenda and the first tranche of funding from the government to support the COVID19 crisis has been received and accounted for in the 2019/20 accounts. The second tranche was received in April.
- 3.3 The long term target set out in the Financial Strategy is to hold General Fund balances of 5% of the council's net budget requirement. At the time of setting the budget for 2020/21 provision was made to increase the budget by £5m to take our general fund balances to £15m which equates to 5.4%.
- 3.4 Details of the final revenue year end position are provided in Table 1 below grouped in the management structure of the Council. Further details of the Council's Financial Performance for 2019/20 will be reported to the General Purpose and Audit Committee meeting which is now scheduled for October as part of the Annual Accounts report. As a result of Covid19 CIPFA have announced that the publication date for audited accounts has been extended from 31 July to 30 November 2020 for all local authorities to enable finance teams to be able to support the pandemic and in recognition that the new remote working regime we all face will add some delay.

Table 1 - Revenue Outturn Summary for 2019/20

Quarter 3 Forecast				
Outturn	Department	Revised Budget	Outturn	Variation from Revised Budget
Variance £'000		£'000	2019/20 £'000	£'000
9,891	Health, Wellbeing and Adults	95,114	103,689	8,575
875	Children, Families and Education	96,596	105,027	8,431
-2,500	Place	106,480	101,721	-4,759
964	Gateway, Strategy and Engagement	36,386	36,980	594
-4,449	Resources and Chief Executive	-4,680	-14,022	-9,342
4,781	Departmental Total	329,896	333,395	3,499
-10,629	Non-Departmental Items	7,382	-4,681	-12,063
-5,848	Revenue Total before Exceptional Items	337,278	328,714	-8,564
8,219	Exceptional items	0	8,749	8,749
2,371	Total transfer from balances	337,278	337,463	186

Capital Programme

3.5 The original approved capital programme for 2019/20 totalled £222m, which was increased during the year to £439m to reflect both programme slippage and re-profiling of schemes. Actual capital spend in 2019/20 was £232m, with the resultant underspend of £207m (47%) mainly attributable to slippage in the delivery of schemes. Table 2 below, shows spending against budget by Department in 2019/20 and Appendix 1 provides a detailed breakdown of spend against budget for the capital programme. Appendix 2 details the funding sources for the programme.

Table 2 – Capital Outturn Variances for 2019/20

Department	Original Budget £'000s	Budget Adjustments £'000s	Revised Budget £'000s	Outturn £'000s	Outturn Variance £'000s
Health, Wellbeing and Adults	9,673	2,360	12,033	5,754	- 6,279
Children, Families and Education	35,638	- 3,001	32,637	16,434	- 16,203
Place	77,790	86,971	164,761	118,769	- 45,992
Resources	60,373	117,022	177,395	39,425	- 137,970
General Fund	183,474	203,352	386,826	180,382	- 206,444
Housing Revenue Account	38,451	13,792	52,243	51,375	- 868
Total Capital	221,925	217,144	439,069	231,757	- 207,312

Housing Revenue Account (HRA)

3.6 The departmental variances of HRA revenue spend against budget are set out in Table 3 below. Table 4 gives details of the movement in the HRA Reserve.

Table 3- Analysis of Housing Revenue Account Variances 2019/20

Division	Variance £'000s	Detailed explanation
HRA – Housing Assessment and Solutions	2,360	Overspend on utilities costs including the loss of water rates collection (£0.929m); Overspend on staffing costs due to fire safety requirements (£0.214m); Under-recovery of garage income as stock has reduced (£0.277m); Additional recharges (£0.248m); Tenancy staffing (£0.272m).
HRA – Council Homes, Districts & Regeneration	(428)	Underspends due to vacancies within the team.
Total HRA Overspend	1,932	

Table 4- Analysis of Housing Revenue Account Variances 2019/20

HRA	Balance at 01-Apr-19 £'000	HRA Outturn 2019/20 £'000	Balance at 31-Mar-20 £'000
Reserves	(15,271)	1,932	(13,339)

- 3.7 HRA Capital expenditure totalled £51.375m, including £11.073m of acquisition costs for 49 Brick by Brick built properties. Expenditure was less than the revised budget of £52.243m by £0.868m due to a corresponding overspend on the acquisition costs against an underspend on the fire safety programme.
- 3.8 There is an increased demand for housing, which places pressure on HRA waiting lists and the budgets for Emergency and Temporary Accommodation. Subject to levels of demand, more HRA stock will reduce the need for temporary housing and therefore enable savings to be made through reducing the need for more expensive private emergency and temporary accommodation solutions.
- 3.9 Impacting on the HRA, the long term financial implications of obtaining properties can be managed by minimising borrowing costs where possible, using funding from the GLA alongside RTB receipts and more favourable borrowing rates offered for housing by central government or other private sector sources. These long-term costs will be offset by the rental income on properties and, by purchasing new build properties, future maintenance costs should also be more favourable. More details of the programme to purchase housing is detailed in the Housing Supply report on this agenda.

Balance Sheet and Financial Strategy

- 3.10 Table 5 below shows the position on the Council's balances, reserves and provisions as at 31 March 2020, compared with previous years. This table excludes Locally Managed Schools reserves, as they are managed by Schools. The overall value of school reserves have decreased by £3.148m to £0.584m. This includes a decrease in revenue reserves £2.620m to a deficit of £0.04m and a decrease in capital reserves by £0.528m to £0.588m.

Table 5- Analysis of Movement in Reserves and Balances

Balances and Reserves	2017/18 £m	2018/19 £m	2019/20 £m
General Fund Balances	10.4	10.4	10.2
Earmarked Reserves excluding Schools	15.7	14.2	21.3
General Fund Provisions	41.2	41.5	43.8
Total	67.3	66.1	75.3

- 3.11 The Council's General Fund Provisions have increased from £41.5m to £43.8m as at 31st March 2020.

- 3.12 The Collection Fund has an overall deficit of £5.790m which has been carried forward in to 2020/21. Croydon's share of this is a deficit of £2.73m. Croydon's share is comprised of a Council Tax surplus of £0.657m and a Business Rates deficit of £3.387m.
- 3.13 The Council also has both S106 and CIL reserves of £9.4m and £10.9m respectively for investment in the borough on schemes that meet the criteria. Commitments have been made against these reserves and investment will be made in the year ahead.

Revolving Investment Fund (RIF)

- 3.14 This Cabinet has previously agreed to set up a Revolving Investment Fund (RIF) to support the delivery of Growth within the Borough. As previously reported the RIF acts as funder to the development company Brick by Brick, the Housing LLP Croydon Affordable Homes and Box Park.
- 3.15 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 in the region of around £10m per annum, and are included in the revenue budget. Table 6 below details the loans, interest arrangements and payment dates.

Table 6 –Loans made from the RIF still outstanding at 31.3.2020

	Loan amount	Interest	Net interest earned in 2019-20	Repayment Date
	£m	%	£m	
Box Park	1.958	10.90%	0.185	October 2021 (loan term 5 years)
Brick by Brick (Croydon)	208.354	5% - 6.25%	9.543	5th anniversary of the relevant loan, unless otherwise agreed
Croydon Affordable Housing LLP	8.392	3.25%	0.194	November 2058 (loan term 41 years)
Total	218.704		9.922	

Dedicated Schools Grant (DSG) Deficit Recovery Plan

- 3.16 The DSG deficit is £14.5m and the overall movement in the DSG block from 2018/19 to 2019/20 is detailed in table 7.

Table 7 – Overall movement in the DSG position from 2018/19 to 2019/20

Description	Total £m
Final DSG for 2019/20 before academy recoupment	343.58
Academy figure recouped for 2019/20	-178.92
Total DSG after academy recoupment for 2019/20	164.67
plus: Brought forward from 2018/19	-9.193
Final Budget distribution for 2019/20	164.67
Of which:	
Actual Central Expenditure allocated	8.367
Actual ISB Deployed to schools allocated	161.67
Schools Delegated including growth	73.6
High Needs	61.15
Early Years	29.166
Central Support Services block	6.177
Total Actual Expenditure	170.03
Carry-forward overspend to 2019/20	-14.558

- 3.17 As a condition of the 2019/20 DSG, local authorities 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.
- 3.18 Croydon has a plan to recover the in-year High Needs Block deficit of over a seven year period to the DfE, as agreed with the School Forum and Chief Finance Officer.
- 3.19 The recovery period is in line with the 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.
- 3.20 A detailed breakdown of the revised recovery plan, including High Needs Block budget setting for 2020/21 was submitted to the High Needs Working Group in January 2020 in preparation for Schools Forum in the same month.

4. BUDGET 2020/21

- 4.1 The budget for 2020/21 was approved by Council in March 2020. Cabinet will be aware of the pressures around increasingly having to balance rising demand for services with year-on-year real terms cuts to grant funding from government. This is compounded by historic underfunding which affects the base on which cuts have continuously had to be made. Balancing the budget is becoming increasingly difficult each year and the 2020/21 budget contained a significant number of savings that were ambitious and needed to be delivered in year.

- 4.2 Demand for children’s and adult social care continues at 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. A significant amount of growth was added to the budget to try and deal with this demand. Table 8 below sets out the allocation of growth and savings in 2020/21.

Table 8 - Departmental Growth and Savings 2020/21

Department	Growth	Savings and Income	Net Growth/Savings
	£M	£M	£M
Children, Families and Education	10.112	-8.027	2.085
Health, Wellbeing and Adults	21.237	-16.194	5.043
Place	6.799	-9.946	-3.147
Resources	7.205	-6.082	1.123
Department Total	45.353	-40.249	5.104

Children, Families and Education including UASC

- 4.3 Following the Ofsted inspection in 2017 of Croydon’s services for children in need of help and protection, children looked after and care leavers (the findings of which have been reported to this cabinet), additional funding and resources have been allocated to the service over a three year period.
- 4.4 The number of local Looked after Children in 2019/20 reduced from a peak of 558 at the start of the year to 528 at the end of the year. In conjunction with the decrease there has been focused efforts to reduce the number of local children entering care as well as supporting those reuniting with their parents where it is safe to do so.
- 4.5 Children in Need has seen cases reduce over the year, and at the start of the financial year there were 714 cases reducing to 604 by the end of the year. This is due to a multitude of initiatives, amongst them reviewing long term open cases and where appropriate stepping down cases to Early Help Services
- 4.6 To help manage these increasing demands and deliver the improvement work identified in the Ofsted inspection £10.611m of growth was allocated to children’s social care and £0.389m for business support to this service in 2019/20. Additional funding of £3m was also allocated for Children with Disabilities to fund increasing demand. A further £10m of growth has been provided for in 2020/21.
- 4.7 Additional one-off investment funding via the Council’s Transformation Reserve has also being used to continue to support the implementation of the improvement plan. The estimated cost of this plan over the three

years since the Ofsted inspection is £28.5m (of which £3.2m and £9.8m was spent in 2017/18 and 2018/19 with a further £15.5m in 2019/20).

UASC – Unaccompanied Asylum Seeking Children

- 4.8 As previously reported to Cabinet, Croydon for a number of years has faced local pressure as a result of an inadequate grant from the Home Office for UASC. The Council has continuing to lobby the government to adequately fund these costs.
- 4.9 On 8th June 2020 the government announced in a letter to all Council Leaders and Chief Executives that the Home Office was increasing financial support for councils supporting UASC. With the narrative 'Our shared objective is to support safe and stable placements for all children and young people, where they can receive the necessary care to thrive. With that in mind the Home Office funding contribution for this group will increase from 1st April 2020'.
- 4.10 The letter reminded Council's that in May 2019 the Home Office increased all lower tariff rates to £114 per UASC per night. This was the second time in three years that the rates had been lifted. It told Council's that further work has now been undertaken to look at these rates with particular focus on the funding provided for former UASC Care Leavers. With his work now completed the following changes apply from 1 April 2020, for the duration of the financial year 2020/21:
- 4.11 An increase in funding as follows: - £240 per care leaver per week from £150 or £200 (depending on cases) and removed reduced rates for legacy case claims. As well as removing the first 25 Care Leavers' rule which prevented Local Authorities claiming for the first 25 equivalent Care Leavers in their care.
- 4.12 The Home Office also announced an increase of 25%, to £143 per person per night to the funding contribution for all UASC in those local authorities supporting UASC at, or in excess of, 0.07% (the threshold set by the national transfer scheme) of their child population, as at 31 March 2020.
- 4.13 Local authorities looking after UASC amounting to less than 0.07% of their child population will continue to receive £114 per person per night for each young person in their care.
- 4.14 Croydon is supporting UASC in excess of 0.07% and will, therefore receive the uplifted rate of £143 per person per night rate for all UASC in care for 2020/21. This supersedes any previous rates, including the enhanced rate of £137.50, which was previously paid for UASC under 16 years old in Croydon.

Health, Wellbeing and Adults

- 4.15 Adult Social Care Services are continuing to experience increases in demand for services above budget and the net overspend in 2019/20

was £8.575m. Over the years Adult Social Care budgets have not seen a real term increase, with significant savings identified to address budget pressures and an over reliance on non-recurrent funding. Areas of significant pressure compared to budget continues to be in the 25-65 Disability Service (including Children with Disabilities transitions) and Older People and following agreed in year savings, overspends total £10m (£5.2m and £5m 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.

- 4.16 To manage the increase costs in Adult Social Care, medium/long term savings have and will be sought by driving service provision costs down, for example through enabling Occupational Therapy led domiciliary care, targeting reviews and decision making for providing people with packages of care, improving supply of accommodation for people with disabilities, exploring alternatives to placements, integrated Continuing Health Care arrangements and increasing Direct Payments uptake. 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 the partnership with health, expanding the scope for integrated health and care services, continue to invest in prevention and early intervention, accelerate the community led support approach, building on people and community assets, redesign the workforce and increasing investment in digital solutions. All with a focus on outcomes, more efficient processes and increased productivity. There will also be continued lobbying of government to fund Croydon adequately for services provided.
- 4.17 Gateway services continue to focus on managing demand for homelessness services, helping residents with prevention measures whilst continuing to support the most vulnerable residents.

5 COVID 19

- 5.1 The implications of COVID19 and the Council's response will have a significant financial impact. The government has announced funding in a number of areas.
- 5.2 Emergency funding of £1.6bn was announced on 20th March. Croydon has been allocated £9.4m and this was received at the end of March 2020. This is not ring-fenced but is intended to cover additional costs to the Council and demand on services, including social care.
- 5.3 Clinical Commissioning Groups (CCGs) have been funded separately for the additional costs of discharging and keeping people out of Hospital. The Council is working closely with the CCG to ensure these costs are tracked and funded appropriately.
- 5.4 A second emergency funding round of a further £1.6b was announced in April and we received an allocation of £10.5m, making the total received to date £19.9m.

- 5.5 On the 2/7/2020 at the LGA conference Rt Hon Robert Jenrick, Secretary of State for Housing Communities and Local Government announced an additional £500m of funding for local government. Along with a number of other measures around support for lost income and council tax and business rates to help Local Authorities manage their financial position this year.
At the time of writing the distribution of the £500m is unknown and local government associations have publically acknowledged that this and the other funding measures announced at the conference will not be sufficient to support council's financially.
- 5.6 We are maintaining a forecast of spend that will be incurred against this grant as well as the level of income to the Council lost as a result of some services being closed (e.g. Leisure Centres) and others experiencing a fall in demand for fee paying activities (e.g. parking income). It is also anticipated that a number of savings originally planned to be delivered in 2020/21 will now be delayed as a result of the need to deploy staff to the COVID19 response and the increased level of support needed from some Council services.
- 5.7 These forecasts are indicative given the significant uncertainty about the pandemic and there possibility that there could be a second spike and the ongoing impact on Council services over the medium term. It is expected the economic damage and associated impact on residents will require significant Council response going forwards even after the virus has been contained.
- 5.8 MHCLG have been collating data from Council's on a monthly basis since April to gain a national understanding of the financial impact of Covid19 on the sector. In the last submission, made on the 19th June, we forecast a financial impact of £65.4m after receipt of the £19.9m government funding.
- 5.9 There remains the expectation that further funding will follow from Government. At that start of the pandemic Rt Hon Robert Jenrick Secretary of State for Communities and Local Government wrote to all council's advising that the government would reimburse local authorities for costs associated with COVID19, subsequent letters have been less positive and it is unlikely that not all of the financial impact related to Covid19 will be reimbursed.
- 5.10 Whilst the government is providing additional funding that will underwrite some of the financial gap, we must take urgent action to ensure that spending remains within the bounds of available resources in order to avoid breaching our statutory duty and to avoid issuing a s114 notice.
- 5.11 In early May 2020 we took urgent action and set up a Finance Review Panel to undertake a root and branch review of our financial governance, strategy and planning, leadership, decision making, management and group company structures. Further details of this

panel are contained in the Responding to the Local Government Finance Challenge report on this agenda.

- 5.12 There has also been other support from the government that has been ringfenced for specific purposes and which essentially pass through our accounts, as they are for costs that would not be incurred under normal circumstances. The costs associated with business grants, the discretionary business grants scheme and the Council Tax Hardship fund are funded fully by the government. We have been allocated grants to fund each of these of £57.4m, £2.8m and £4.4m respectively. Additionally funding has been announced for Infection control in Care homes of £4.12m, Test, Track and Trace of £1.99m and Reopening of High Streets Safely, £342k.
- 5.13 Funding has also been announced nationally for Homelessness and to fund lost teaching in schools, to date the allocation of this money at a local level is still to be announced.
- 5.14 Whilst most councils are in a similar position, Croydon has a comparatively low level of reserves that could be deployed, in the region of £10m. The 2020/21 budget included a contribution to the general fund reserves of £5m, with further contributions planned in future years. Although further funding may materialise from central government towards the Covid19 burden, and the council will continue to lobby on historical underfunding issues, these possibilities cannot be relied upon to close the gap.
- 5.15 In response to the scale of the immediate financial challenge, the council has recognised the need to act swiftly and decisively. Work has already begun on a range of immediate and short term measures that we can take to address its 2020/21 forecast overspend, and the creation of the Finance Review Panel is key in driving this work forwards. Alongside these measures conversations are actively taking place with MHCLG regarding measures to capitalise costs this year to help alleviate in year financial pressures.

6. Budget Monitoring

- 6.1 Strong financial monitoring is essential for all organisations to be able to manage their financial position and mitigate financial risks, whilst giving them information to be able to make changes and reduce spend if deemed necessary.
- 6.2 Croydon operates with a consolidated finance team, with dedicated teams supporting each directorate of the organisation. In the last five years the finance team has reduced from 60 staff to 46.8 staff, a reduction of 13.2 FTE, which is a 22% reduction. These reductions have occurred as the organisation has been required to reduce costs as a result of significant reductions in government funding and monies being diverted to manage rising demand for services to residents.

- 6.3 As a result of these staff reductions the team has been forced to change working practices and provide finance support to the organisation in a different way. One of the biggest changes has been the move from monitoring all revenue budgets on a monthly basis to monthly monitoring on a risk based approach, focusing on high risk and volatile areas only each month with quarterly monitoring for all budgets. Financial monitoring reports continue to be presented to Cabinet each quarter.
- 6.4 Improvements to the finance system have taken place during this time period which has enabled processes to be more automated and budget managers to take greater ownership and responsibility as a self-serve module is now available. It is however clear from the variance in the forecast outturn reported at quarter three of 2019/20 and the final year end position that the financial monitoring processes in place are not sufficient and need enhancing quickly.

CURRENT APPROACH

- 6.5 The current approach to revenue financial monitoring is formal monthly monitoring for areas which are deemed “high-risk” i.e. those which are currently overspending significantly, are volatile or demand led. And formal quarterly monitoring across all budgets, with outturn figures and explanations collated and reported to Cabinet. Reporting is carried out on a departmental basis, with more explanations for variances within services and directorates over £100k and £500k.
- 6.6 There is also no formal definition of what is deemed “high risk” and, therefore, warrants monthly monitoring.
- 6.7 There is no single formal template for reporting financial performance internally.
- 6.8 Capital budgets are monitored on a quarterly basis and going forwards there needs to be greater emphasis and transparency throughout the financial year on both of these types of funding streams and budgets so any interdependencies, for example capitalisation of staff costs is fully understood.

PROPOSED APPROACH

- 6.9 It has been identified that the current approach to financial monitoring and reporting is not fit for purpose, especially during a period of extreme financial pressure as set out in section 5.
- 6.10 There needs to be a greater level of ownership and accountability within departments and at a senior level. Each budget manager needs to fully own their budget and sign off their monthly monitoring, with heads of finance being instrumental in this process and responsible for raising concerns about noncompliance.

- 6.11 Every member of the senior leadership team needs to not only understand and own their own departments' budget and spending, they also need to take a collective ownership of the Council's position in total and work together to manage any overspends
- 6.12 Cabinet Members also need to be enabled to be more involved with the budget, with Directors and Executive Directors taking responsibility for briefing them and ensuring they are sighted on any risk and issues relating to their portfolio.
- 6.13 The S151 Officer will continue to have responsibility for briefing the portfolio holder for Finance and Resources and will work alongside the Monitoring Officer and Chief Executive to ensure the Leader is fully briefed each month.
- 6.14 Monthly finance briefings will also be made available to the opposition by the S151 Officer and Monitoring Officer.
- 6.15 In order for this proposed approach to be undertaken work is underway to strengthen the finance team in order to ensure that the necessary resources are in place to undertake the new budget monitoring approach.

7. BUDGET 2021/22

- 7.1 As well as the immediate financial challenge the council faces an unprecedented challenge in balancing the budget in the years ahead. The impact of the Covid19 pandemic and historic underfunding has placed the council in a position in which reductions in expenditure on a very significant scale will be required in addition to increases in income from fees, charges, and other sources. The MTFs will estimate and quantify the budget gaps that will need to be closed, and ensuring that the assumptions contained within it are as accurate as possible will be critical.
- 7.2 Planning the changes that will be necessary to balance the budget is hampered by the degree of uncertainty concerning future funding arrangements. The distribution of funding to local authorities through business rates and grants has been under review by the government, but there have been no final decisions about the system and it is now unlikely that the government's attention will return to this for some time due to the focus on health and economic recovery resulting from the Covid19 pandemic. Government decisions about limiting council tax increases and the social care precept will have a significant impact upon the ability to raise income locally. The government's recent track record of making important funding decisions one year at a time has also created difficulty for medium term planning.
- 7.3 The Covid19 pandemic may leave the council with additional costs on an ongoing basis. Furthermore, the government's plans for funding the national cost of the Covid19 pandemic are as yet unknown, and there is

a strong possibility that further public sector austerity may be among the measures it will adopt.

- 7.4 In learning the lessons of the Covid19 pandemic it is likely that the government, and the council's local public sector partners, will wish to make changes to improve joint working and resilience, and this may also have significant effects upon future funding arrangements, as well as demanding significant operational change.
- 7.5 In addition to these exceptional challenges, the council will continue to face the more customary but nonetheless significant pressures of inflation, demographic growth, and increasing social and economic need.
- 7.6 In the context of these issues, we must have a financial planning process that is sufficiently robust to provide a solid basis for operational planning and delivery and has enough flexibility to respond to significant change.

PROPOSALS FOR CHANGE – MTFS and budget setting process

- 7.7 We would benefit from having a longer medium term planning horizon. This allows more difficult decisions to be planned for, and for time to be allowed for preparation, consultation and implementation. A rolling MTFS that looks 3 years ahead is recognised as good practice. The MTFS will therefore be revised in full every year, rather than once every 2 years as has been the practice. This year the MTFS will be published in September and will look at the period 2021/22 to 2023/24. In future years the MTFS will at the latest go to the September Cabinet meeting, and earlier if possible.
- 7.8 The level of uncertainty the council faces requires the ability to respond flexibly. However, it is also important that the organisation has clear and stable financial parameters to work within. Good practice suggests that the medium term forecasts are revised no more than twice in the annual cycle: principally in July when the targets for the budget setting process are set, and secondly in February when the budget is set, where the assumptions can be adjusted if required.
- 7.9 A minimum level of unallocated reserves must be set to enable the council to operate this cycle. This allows any unexpected financial shocks to be absorbed and the council to continue to operate on a planned and stable basis. The target level of reserves should be set by s151 officer based on their professional judgement about the risks the council is facing, and the budget plan must prioritise maintaining the reserves at the target level above any operational considerations. The minimum level of reserves cannot be set on the basis of affordability in comparison with other priorities, but must be set on the basis of risk assessment as a fundamental requirement that underpins the stability of the organisation.

- 7.10 The MTFS document should provide transparency on an annual basis about the council's key financial planning information and assumptions. This is important because it enables the organisation and its stakeholders to understand and jointly own the financial position. It also helps to ensure that the Cabinet making decisions with a clear understanding of the financial consequences.
- 7.11 A three year MTFS allows the council to plan its operations three years ahead, and this means that targets can be set for growth and savings for three years rather than one. This permits projects with a longer implementation timescale or with greater complexity to be planned and approved in advance.
- 7.12 In order to allow sufficient time for departments to develop robust proposals for growth and savings to feed into the budget decision-making process, departments should start work as early as possible in the cycle. This means not waiting until the MTFS has been revised but working to provisional targets beginning as early as May.
- 7.13 The robustness and deliverability of budget proposals is a major issue. A longer timescale for departments to work on proposals before submitting them will help with this, but the process itself must also foster greater focus on deliverability and should do so by providing templates for submissions that require more information about delivery and risk.
- 7.14 In developing budget proposals, it is essential that departments do not work in isolation and that cross-departmental working is encouraged from the leadership team downwards. A strong focus upon delivering the corporate plan and through it the agreed member priorities and outcomes will help to support this approach.
- 7.15 Friendly and constructive challenge has an important role to play in the development of proposals, to ensure that they are aligned with corporate priorities, are developed to their full potential, and are sufficiently robust and deliverable. For this reason budget development meetings will be held over the summer and in particular in September/October. This will be done in a manner that ensures collective ownership of the financial position and decisions, all cabinet and ELT members will be invited to each meeting. The meetings will follow an agreed format and focus upon a particular set of proposals, grouped by theme (e.g. Capital) or by department.
- 7.16 Budget proposals will be evidenced by performance data and modelling to demonstrate robustness and deliverability, with performance and value for money benchmarked over time and against other organisations.
- 7.17 Cabinet will seek to make early decisions on approval of key budget proposals in November or December to allow mobilisation time so that the council can benefit from the full year effect.

- 7.18 Scrutiny will have a formal role in the process, with pre-scrutiny of proposals for significant change being feasible because of longer development timescales. Scrutiny of budget proposals will take place in the period November to February as the proposals are brought forward for Cabinet approval.
- 7.19 The budget and MTFS will be approved at the Council meeting in February following final consideration at the February Cabinet meeting.

8 CAPITAL PROGRAMME INVESTMENT – 2020/21

- 8.1 In February 2020 Cabinet agreed the capital programme. Cabinet are asked to note the request for an amendment to the capital programme and details of schemes that are likely to be slipped into 2020/21. As detailed elsewhere on this agenda the capital programme is one of the areas that is being looked at as part of the Croydon Finance Review to address the current year overspend caused by the Covid19 pandemic. The review will look to identify underspends, spending that can be reprofiled into a later year, and projects that can be deferred or stopped. With this in mind the capital programme slippage is still under review and will be presented to cabinet in September as part of the Month 1 financial monitoring report.
- 8.2 With this in mind Members are asked to note the details of the current programme in appendix 1 and 2. A report will be brought to Cabinet in September to approve the revised programme and approve slippage and any other changes once the review is completed. The current programme and any budget adjustments are summarised in table 9 below.
- 8.3 The table below details a number of amendments to the capital programme that the cabinet are being asked to approve. They are :- detail
- realigning the £40m budget for Affordable Homes from the General Fund to the HRA capital programme, as these properties will now be held within the HRA
 - including the funding for the purchase of housing, as set out in the Cabinet Paper, Increasing Housing Supply. This paper sets out a proposal to purchase £44.8m of housing stock, using £30.6m of borrowing, £9.7mn of RTB receipts and £4.5m of GLA funding and
 - Addition of £431k to the 2020/21 capital budget for the Finance and HR system to cover essential infrastructure support costs.

Table 9 – Draft Capital Programme – 2020/23

	2020/21 Original Budget £'000	2020/21 Re-Profiling/Adjustments £'000	2020/21 Revised Budget £'000	2021/22 Draft Budget £'000	2022/23 Draft Budget £'000
General Fund	301,546	- 39,569	261,977	209,690	60,544
HRA	35,701	83,239	118,940	39,951	26,951
TOTAL	337,247	43,670	380,917	249,641	87,495

9 USE OF CAPITAL RECEIPTS

- 9.1 In March 2016 the DCLG (now MHCLG) issued guidance allowing a more flexible approach to using capital receipts. This guidance enabled local authorities to have the flexibility to use capital receipts from the disposal of property, plant or equipment assets for expenditure on projects that will generate ongoing savings and efficiencies.
- 9.2 During the year receipts of £29.6m were received and the majority of the capital receipts were used to fund transformation projects listed in table 8 below.
- 9.3 In July 2016 (Minute ref A76/16) it was reported to this Cabinet that the Council would be taking advantage of this new flexibility and in 2019/20 £29m of transformation projects were funded from capital receipts. These are detailed in table 10 below.

Table 10 – Transformation projects funded from flexible capital receipts.

Transformation	2019/20 £m
Adult social care	6.130
Children's transformation	15.571
Transformation ICT/ New ways of working	6.257
Communities / gateway / localities	0.730
Redundancy	0.580
	29.268

- 9.4 To enable the continued delivery of our transformation programme we will continue to use this approach to the flexible use of Capital Receipts in 2020/21. Further reports on progress of these projects will be presented to this cabinet.

10 HRA

- 10.1 Managing the Housing Revenue Account continues to be an ongoing challenge for the Council in light of legislative changes driven by the government. While the 1% rent reduction has now ended, the loss of income over the previous four years from 2016/17 to 2019/20 has impacted on the long term HRA business plan. The biggest challenge however relates to the uncertainty over government consultations regarding the use of RTB capital receipts which was launched in 2018. This makes it difficult to strategically plan for the future use of RTB receipts as the time constraints for using them remains. Investment in good quality housing at affordable rent remains a key focus for Croydon and the report on this agenda 'Increasing Housing Supply' builds on the needs identified within the Housing Strategy for Croydon that was endorsed by Cabinet in October 2019 and proposes the purchase of new build homes from Brick by Brick (BBB) to help meet at least some of the current demand for affordable homes within the Borough. This report proposes the purchase up to 165 properties to boost the supply of affordable homes in the borough.
- 10.2 The government announced the lifting of the borrowing cap in October 2018. The removal of the borrowing cap provides an opportunity for the Council to borrow more money for social housing provision in the future which it can use flexibly subject to affordability constraints. Prior to the lifting of the borrowing cap, 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 as against the old borrowing cap. 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. In the 2017 Autumn Budget statement, an additional £1 billion of borrowing was allocated to the Housing Revenue Account across 'areas of high affordability pressure' of which Croydon Council secured £61m of borrowing.
- 10.3 Following the Grenfell Tower tragedy in June 2016 the Council committed to installing a range of fire safety measures across its own housing stock. This includes the installation of water sprinklers in residential blocks over ten storeys high. The cost of these works was in the region of £5m for 2018/19 and increased to £10m for 2019/20. The Council has lobbied the government to fund these essential safety works on a number of occasions and unfortunately they have failed to provide any funding, resulting in the costs being funded from the HRA. There have been changes in the requirements for fire safety which has an impact on the current HRA capital programme. There will be a review of the costs of the cyclical maintenance programme alongside its fire safety programme in order to keep the HRA sustainable.
- 10.4 From 2017, the Council approved the use of Right-to-Buy (RTB) receipts to support investment in affordable housing across the borough, namely Brick-by-Brick developments, Taberner House, and existing properties

purchased under the ETA scheme. 346 units have been transferred to Croydon Affordable Homes LLP, a limited liability partnership (LLP) with a local charity in a structure that will allow RTB receipts to be invested in the development activity whilst allowing the Council to retain a long-term interest in the assets. More purchases are planned in the future.

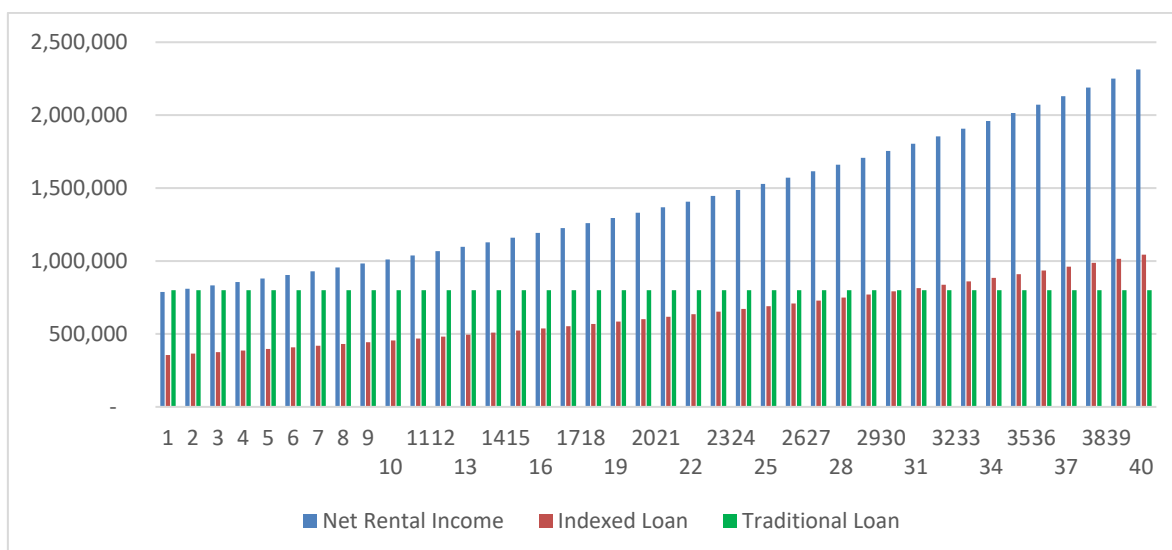
11. Investment in genuinely affordable homes

- 11.1 In June 2017, Cabinet approved (minute no. A44/17) the creation of the partnership with Croydon Affordable Housing to deliver genuinely affordable homes for borough residents. That report incorporated three schemes – ninety six homes previously purchased by the Council, ninety homes to be built on the former Taberner House site and new properties to be developed across multiple sites by Brick by Brick (Croydon) – with a further programme of up to two hundred and fifty street properties homes to be purchased approved in July 2017 (minute no. A55/17)
- 11.2 Two schemes, the original ninety-six purchases and the two hundred and forty eight acquisitions, were completed in November 2017 and December 2019 respectively with the homes leased to the partnership on a long term basis. Rather than take a loan from the Council, the partnership raised the funding required for the premium on the lease by agreeing an underlease arrangement with Canada Life for the first scheme and Legal & General Investment Management for the second. In each case, the funding was on an index linked basis. Value for money analysis (compared to PWLB) was satisfactorily undertaken in both cases. The analysis considered the overall long-term cost of the funding (and NPV) as well as the suitability of the solution against the long-term rental cashflows.
- 11.3 It is anticipated that the Covid19 pandemic will create an even greater need for affordable homes for borough residents over and above the existing pressures from homelessness and households in temporary accommodation. In addition to the direct financial challenges presented by the cost of providing temporary and emergency housing, there are longer term pressures that arise from households not being in genuinely affordable long term homes and studies have shown the impact on the life chances of those affected. As a result, the planned investment in new homes remains an absolute priority.
- 11.4 The Council also has an ambition to deliver key worker homes in the borough through the CAH partnership so it can begin to meet a further need in the local housing market. An initial ten homes have been identified from the market properties being developed by Brick by Brick (Croydon) to be the first portfolio.
- 11.5 Whilst the first two schemes were financed directly by the partnership via underleases, as these programmes are individually slightly smaller, it is proposed that the Council acts as aggregator of the funding requirement to make it more market size and obtain an improved rate. It

would then lend on to the partnership at the same rate with any surplus generated by the partnership after all operational costs are met passing back to the Council as rent under the agreed lease.

- 11.6 As was the case for the completed schemes, it is proposed to use an index linked funding arrangement for the new homes rather than a traditional fixed rate loan such as that obtained from the Public Works Loan Board. The rationale for this is three-fold:
- i. An indexed loan will have lower initial payments that rises over time in line with the expected annual increase with the rents payable by tenants. This provides an element of uncertainty over the longer term cost of the funds but is a more efficient method of funding income generating assets where there is a high level of confidence that the income collected will increase over time to 'mirror and match' the indexed financing cost. By comparison, whilst a traditional loan with annual repayments provides certainty, the higher initial costs make the homes initially unviable and therefore undeliverable by the partnership. This is illustrated in the chart below for the ninety homes on the former Taberner House site.
 - ii. The proposed external funding solution has a forward drawdown schedule which gives the Council the ability to lock-down funding costs today for monies that are not needed until up to 2-years in advance. This is critical risk management that will ensure scheme viability. It completely removes the risk that schemes are funded for the long-term on a piecemeal basis which would introduces significant future funding rate risk to the Council (i.e. interest rates move higher and the Council / Partnership locks in long term losses.
 - iii. Absolute cost comparison to PWLB on both a future and NPV basis. Using a Bank of England target 2.8% inflation assumption, the external funding solution outperforms the current PWLB rates by in excess of £20m (see below)

Graph 2 – comparison of net rental income with alternative funding solutions

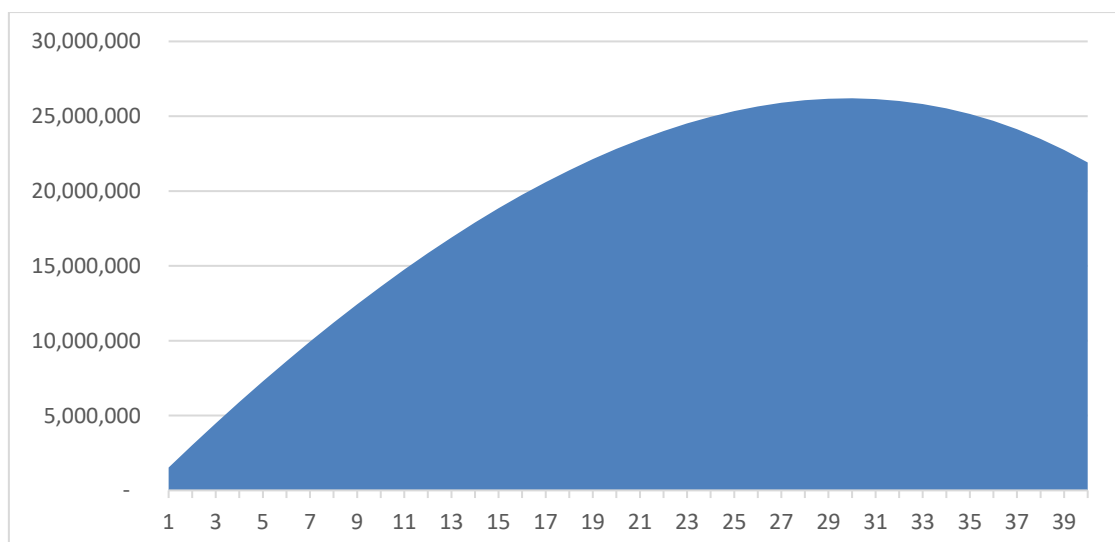


11.7 The aggregated funding requirement for the affordable and key worker homes is £55m and to identify the best value funding partner, a full market testing exercise was undertaken inviting proposals from a range of third-party funders. After a two-stage tender process, the leading offer was received from M&G which, based on Bank of England targets for inflation, delivers a substantial saving against the equivalent duration loan from the Public Works Loan Board. In addition to the lower cost in year one, over forty years the indexed loan is substantially cheaper in both nominal and net present value terms.

Table 11– comparison of funding options

	Year one funding cost £000	40 year nominal cost £000	40 year NPV £000
Indexed Loan	1,222	88,089	41,507
Traditional Loan	2,750	110,000	58,726

Graph 3 – cumulative saving using indexed funding vs PWLB loan



11.8 Under the proposed loan agreement with M&G, the £55m will be drawn down in tranches over two years to reflect the funding requirement of the partnership acquiring units as they achieve practical completion. The profile of the draw down has been amended to reflect the impact of Covid19 on the construction industry and will ensure that the Council and the partnership will not incur costs from holding excess cash balances.

11.9 The proposed loan solution has been fully reviewed within the Council from an accounting and risk management perspective and the Council has engaged external lawyers to support them with the required documentation. Additional comfort is taken from the fact that other local authorities have independently entered into very similar funding arrangements to address very similar needs.

11.10 The June 2017 report delegated authority to the Executive Director Resources, in their role as the Council's Section 151 Officer, in consultation with the Cabinet Member for Finance & Treasury, to agree and enter in to loans with the partnerships. This would now fall to the Executive Director of Resources and Monitoring Officer, Director of Finance, Investment and Risk, as Section 151 Officer, and the Cabinet Member for Finance & Resources. Given the broader financial pressures facing the Council and the timing of this report, it is being presented to Cabinet for endorsement.

12. SUMMARY AND CONCLUSIONS

12.1 As all Members are aware, managing the 2020/21 budget was going to be difficult with all of the growing demands on services and the ambitious savings programme. The impact of the Covid19 pandemic has now made this extremely challenging and as detailed in this report work is underway as part of the finance review panel to put in place measures to manage

the budget. Conversations are also taking place with MHCLG to raise awareness of the challenges we face and to seek support and help to manage this.

- 12.2 The setting of a budget for 2021/22 that is robust, balanced and deliverable will be challenging, and will involve a number of difficult decisions in these challenging times. The refreshed MTFs that is being develop and will be presented to cabinet in September along with the revised approach to the development of the budget will ensure that there is a robust process in place to review, understand and challenge all budget options to ensure they are deliverable.

13. Pre Decision Scrutiny

- 13.1 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.
- 13.2 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.
- 13.3 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.
- 13.4 Since the decision to return to Scrutiny Committee in September 2020 was made, the impact of the Covid19 pandemic has become more apparent and as a result Scrutiny and Overview committee on the 26th May received a presentation on the Covid19 which included the financial impact. A further financial update will also be provided to Scrutiny Committee in July 2020.

14. FINANCIAL CONSIDERATIONS

- 14.1 This report deals with the assumptions in planning and managing a balanced budget over the medium term as well as informing the cabinet of the 2019/20 outturn position and the challenges faced.

Approved by Lisa Taylor Director of Finance, Investment and Risk
(Section 151 Officer)

15. LEGAL CONSIDERATIONS

- 15.1 The Head of Litigation and Corporate Law comments on behalf of the

Director of Law and Governance that this report details updated information required for the Council's statutory duty to set a balanced budget.

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

16 HUMAN RESOURCES IMPACT

- 16.1 Any proposals on budget that may have any impact on the workforce would be consulted on in line with agreed formal consultation arrangements with the recognised trade unions.

Approved by: Sue Moorman, Director of HR

17 EQUALITIES IMPACT

- 17.1 There are no specific issues arising from this report, equalities impact assessments will need to be undertaken as each project is developed and implemented.

Approved by Yvonne Okiyo, Equalities Manager

18. ENVIRONMENTAL IMPACT

- 18.1 There are no specific issues arising from this report.

19. CRIME AND DISORDER REDUCTION IMPACT

- 19.1 There are no specific issues arising from this report.

20. REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

- 20.1 These are detailed within the report.

21. OPTIONS CONSIDERED AND REJECTED

- 21.1 The options considered are detailed in the report. The only option rejected was the one of do nothing as this is not viable.

Report Author: Lisa Taylor Director of Finance, Investment and Risk (Section 151 Officer)

Contact Person: Lisa Taylor Director of Finance, Investment and

Risk (Section 151 Officer)

Background documents: None

Appendices: Appendix 1 – Three year capital programme
Appendix 2 – Capital Funding

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							Appendix 1
Category	2020/21			2021/22	2022/23	2020/23	
	Original budget 2020/21	Budget adjustments	Revised budget 2020/21	Draft Budget 2021/22	Draft Budget 2022/23	Total revised budget 20/21 to 22/23	
	£000's	£000's	£000's	£000's	£000's	£000's	
Angel lodge conversion to MHO	100	0	100	0	0	100	
Disabled Facilities Grants	2,400	0	2,400	2,400	2,400	7,200	
Provider Services - Extra Care	500	0	500	0	0	500	
Health, Wellbeing and Adults including Gateway and Housing Sub Total	3,000	0	3,000	2,400	2,400	7,800	
Education – Fire Safety Works	1,000	0	1,000	0	0	1,000	
Education – Fixed term expansion	59	0	59	90	0	149	
Education – Major Maintenance	2,882	0	2,882	2,000	2,000	6,882	
Education – Miscellaneous	1,444	0	1,444	228	0	1,672	
Education – Permanent Expansion	1,091	0	1,091	959	0	2,050	
Education – Special Educational Needs	18,807	0	18,807	8,568	0	27,375	
Children, Families and Education Sub Total	25,283	-	25,283	11,845	2,000	39,128	
Affordable Housing Programmes	40,000	-40,000	0	0	0	0	
Brick by Brick programme	75,510	0	75,510	107,700		183,210	
Community Ward Budgets	576	0	576	576	576	1,728	
Devolution initiatives	912	0	912	912	912	2,736	
Electric Vehicle Charging Points	2,400	0	2,400	2,400		4,800	
Empty Homes Grants	500	0	500	500	500	1,500	
Feasibility Fund	330	0	330	330	330	990	
Fiveways junction	0	0	0	3,000	2,000	5,000	
Growth Zone	15,000	0	15,000	36,000	32,000	83,000	
Grounds Maintenance Insourced Equipment	1,500	0	1,500	0	0	1,500	
Highways - maintenace programme	6,000	0	6,000	6,000	6,000	18,000	
Highways - maintenace programme	567	0	567	567	567	1,701	
Highways – flood water management	565	0	565	535	505	1,605	
Highways – bridges and highways structures	575	0	575	9,950	800	11,325	
Highways – Tree works	299	0	299	179	179	657	
Libraries investment – general	650	0	650	1,500	0	2,150	
Neighbourhood Support Safety Measures	50	0	50	0	0	50	
New Addington wellbeing centre	3,000	0	3,000	12,000	0	15,000	
Parking	2,825	0	2,825	475	475	3,775	
Safety – digital upgrade of CCTV	250	0	250	0	0	250	
Section 106 Schemes	0	0	0	0	0	0	
SEN Transport	1,460	0	1,460	0	0	1,460	
Sustainability Programme	2,500	0	2,500	2,500	2,500	7,500	
TfL LIP	2,462	0	2,462	2,000	2,000	6,462	
Walking and cycling strategy	750	0	750	0	0	750	
Waste and Recycling – Don't Mess with Croydon	768	0	768	0	0	768	
Place Sub Total	159,449	- 40,000	119,449	187,124	49,344	355,917	
Asset Acquisition Fund	100,000	0	100,000	0	0	100,000	
Corporate Property Programme	2,000	0	2,000	2,000	2,000	6,000	
Finance and HR system	0	431	431	0	0	431	
ICT Refresh & Transformation	6,200	0	6,200	4,800	4,800	15,800	
People ICT	2,014	0	2,014	1,521	0	3,535	
Uniform ICT Upgrade	3,600	0	3,600	0	0	3,600	
Resources Sub Total	113,814	431	114,245	8,321	6,800	129,366	
GENERAL FUND TOTAL	301,546	-39,569	261,977	209,690	60,544	532,211	
HOUSING REVENUE ACCOUNT							
	Original budget 2020/21	Budget adjustments	Revised budget 2020/21	Budget 2021/22	Budget 2022/23	Total revised budget 20/21 to 22/23	
	£000's	£000's	£000's	£000's	£000's	£000's	
Major Repairs and Improvements Programme	26,771	0	26,771	26,771	26,771	80,313	
Affordable Housing Programme	0	38,404	38,404	0	0	38,404	
BBB Properties part funded by GLA and HRA RTB	8,750	44,835	53,585	13,000	0	66,585	
Special Transfer Payments	180	0	180	180	180	540	
HOUSING REVENUE ACCOUNT TOTAL	35,701	83,239	118,940	39,951	26,951	185,842	
LBC CAPITAL PROGRAMME TOTAL	337,247	43,670	380,917	249,641	87,495	718,053	

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Funding	Revised Budget 2020/21	Draft Budget 2021/22	Draft 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
EVCP external funder	600	600	-	1,200
Borrowing	42,629	46,249	14,768	103,646
Borrowing - (RIF) - BXB	75,510	107,700	-	183,210
Borrowing - Asset Acquisition Fund	100,000	-	-	100,000
Borrowing - Growth Zone	15,000	36,000	32,000	83,000
GENERAL FUND	261,977	209,690	60,544	532,211
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
HRA - use of 141 receipts	21,823		-	21,823
GLA	10,000	5,200	-	15,200
Borrowing	60,166	7,800	-	67,966
HRA FUNDING	118,940	39,951	26,951	185,842
TOTAL FUNDING	380,917	249,641	87,495	718,053
UNDER/OVER FUNDING OF PROGRAMME		-	-	-

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For General Release

REPORT TO:	CABINET
SUBJECT:	Increasing Housing Supply
LEAD OFFICER:	Ozay Ali Interim Director for Homes and Social Investment
CABINET MEMBER:	Councillor Alison Butler, Deputy Leader and Cabinet Member for Homes and Gateway Services Councillor Simon Hall Cabinet Member for Finance and Resources
WARDS:	All

CORPORATE PRIORITY/POLICY CONTEXT/ AMBITIOUS FOR CROYDON

This report builds on earlier initiatives to demonstrate the Council’s commitment in the Corporate Plan (2018) for “good decent homes , affordable for all”
This report outlines further initiatives to help address this priority and provide a better standard of homes for families and workers in need of accommodation at an affordable rent level.

Our Community Strategy Policy aims to ensure protection of vulnerable people and a key priority within this is to meet the housing need with good quality accommodation.

This report follows the Housing and Homelessness Strategy presented to cabinet in October 2019.

In addition to the temporary housing requirement it is important to increase the general housing stock to allow longer term solutions to allow people to progress from temporary to more permanent housing solutions. The purchase of more homes from Brick by Brick would help to meet part of this demand and secure quality homes including specially adapted units.

FINANCIAL IMPACT

The acquisition of homes that provide more long term solutions available at truly affordable rents will increase the stock held within the HRA, which will begin to offset the impact of losses due to Right to Buy. There is an increased demand for housing, which places pressure on HRA waiting lists and the budgets for Emergency and Temporary Accommodation. Subject to levels of demand, more HRA stock will release the temporary housing and therefore enable savings to be made through reducing the need for more expensive private emergency and temporary accommodation solutions.

The use of Right to Buy receipts and GLA funding will allow the Council to deliver new homes that can be let at council rents.

As outlined in the report also presented to Cabinet, "Responding to the Local Government Financial Challenge", Covid-19 has had a significant impact on both the Council's financial position, as well as the financial position of residents and businesses across the borough. The Council is taking immediate measures to address the significant pressure it faces on its General Fund budget, as well as longer term actions. The proposals set out in this report will enable the Council to begin to address the impact of the lack of affordable, secure housing for residents, which is particularly key during the expected period of economic uncertainty for our residents as a result of Covid-19. Impacting on the HRA, the long term financial implications of obtaining properties can be managed by minimising borrowing costs where possible, using funding from the GLA alongside RTB receipts and more favourable borrowing rates offered for housing by central government or other private sector sources. These long-term costs will be offset by the rental income on properties and, by purchasing new build properties, future maintenance costs should be more favourable. This paper outlines proposals for a programme of purchases which can be adapted and revised where necessary as the Council reacts to the changing economic landscape.

FORWARD PLAN KEY DECISION REFERENCE NO.: 1920CAB

The notice of the decision will specify that the decision may not be implemented until after 13.00 hours on the 6th working day following the day on which the decision was taken unless referred to the Scrutiny and Overview Committee.

The Leader of the Council has delegated to the Cabinet the power to make the decisions set out in the recommendations below

1. RECOMMENDATIONS

The Cabinet is recommended to

- 1.1 Approve the borrowing facility of up to £30.6m to enable the investment in the acquisition of 165 new homes from Brick by Brick Croydon (Limited) ('Brick by Brick') to be let at council rents
- 1.2 Approve the use of up to £8.04m Right to Buy Receipts to reduce the level of borrowing required
- 1.3 Agree to the propose that the rental levels for the properties- held within the HRA to be charged on a formula rent basis
- 1.4 Delegate to the Deputy Leader and Cabinet Member for Homes and Gateway Services in consultation with the Cabinet Member for Finance and Resources the authority to approve of the purchase of affordable rented units constructed by Brick by Brick as council homes
- 1.5 To note the proposed purchase of additional Brick by Brick homes for use as Emergency Temporary Accommodation in line with the Cabinet decision taken in March 2020 under the Increasing Housing Supply paper.

2. EXECUTIVE SUMMARY

- 2.1 Many local people cannot afford to buy or rent a home in Croydon with 24% of employees in Croydon being low-paid, and with average house prices over 10 times average incomes. Around 5,500 households are currently on the council's housing register.
- 2.2 This report builds on the needs identified within the Housing Strategy for Croydon that was endorsed by Cabinet in October 2019 and proposes the purchase of new build homes from Brick by Brick (BBB) to help meet at least some of the current demand for affordable homes within the Borough. It is proposed to purchase up to 165 properties to boost the supply of affordable homes in the borough.
- 2.3 The intention is to purchase the new homes from Brick by Brick to add them to the existing Council stock. The homes will be managed by the Housing team, as with the existing council homes.
- 2.4 The Council will fund part of the purchase cost through GLA funding that has already been secured which provides a grant of £100k per property or, for properties where BBB have already secured some GLA funding, it is proposed to utilise Right to Buy receipts to assist in the purchase of these homes. This will help the Council to let them at council home rents. The remainder of the cost of purchasing will be funded through HRA borrowing.
- 2.5 Rents will be charged in line with existing council rents so that they are truly affordable. The table below shows the level of rent charged to council tenants compared to a typical market rent basis

Property Size	Typical Council Rent	Average market rent	Council rent as a percentage of market rent
1 bed	£4,540pa	£11,500pa	39%
2 bed	£5,406pa	£14,500pa	37%

3. DETAIL

Social Housing Supply

- 3.1 In line with the Council's Corporate Plan to provide "good decent homes, affordable for all" a number of solutions have been developed but it is recognised that one of the key underlying demands is for good quality and affordable homes within the Borough. By increasing this supply the Council can not only offer much more suitable properties for both individual and family needs but also create the opportunity to move people out of temporary accommodation which in turn will help reduce the reliance on expensive third party emergency accommodation.

- 3.2 Temporary accommodation creates a substantial financial burden. There are an estimated 1,800 households in temporary accommodation. The acquisition of permanent homes is therefore an important step to help reduce these numbers.

Supply & Demand

- 3.3 Traditionally housing associations have contributed to the supply of affordable homes but the rate of new build within the borough has declined significantly and there are constraints in accessing suitable accommodation in the private sector. The Council have already undertaken a number of initiatives to help meet this shortfall in supply for example through entering into a number of long term leasing arrangements for modern accommodation at low rents such as at Windsor, Concord and Sycamore House, but these offer more of a short term solution. Through the developments being undertaken by BBB, a supply of good quality new housing is being provided however many of these properties will be for private purchase. By negotiating the acquisition of some of these new homes at discounted rates and also securing additional grant funding, the Council can deliver the benefits these properties have to offer at a rental level that is affordable and attainable to a wider number of Croydon residents particularly those in housing need.
- 3.4 It is recognised that there is an urgent current need for more affordable homes and one of the quickest routes to accessing suitable, good quality and affordable long term accommodation, is through the acquisition of some of the BBB properties due to be completed over the next 9 months.

Proposal

- 3.5 There are significant advantages in purchasing completed properties from BBB both from reduced acquisition costs, the assurance of a quality home with good space standards and reduced ongoing maintenance costs through standardised fixtures and fittings.
- 3.6 The Council will also be able to use either Right to Buy receipts or GLA funding to help reduce the amount of borrowing in order to acquire the properties. By using these sources of capital funding, the reduction in the borrowing cost will enable the properties to be let at social housing rents.
- 3.7 Many of the new homes are within existing estates and therefore it is hoped that some of the new units will open real opportunities to encourage people to downsize. Some existing homes within our estates are occupied by residents who no longer need larger family homes and would be better suited to modern one or two bedroom properties. As the new BBB homes are within or very close to existing estates, these individuals would be able to move to more suitable accommodation but retain their important local social network.

- 3.8 The significant number of proposed acquisitions over the next 9 months will also make a real difference in allowing people to move on from temporary accommodation into more permanent long term homes. This will help release existing temporary and emergency accommodation thereby not only offering a better quality of homes but also reducing the current overspend for emergency and temporary accommodation.
- 3.9 The proposed acquisitions will provide homes to meet the highest areas of need and offer mainly 1 and 2 bed homes including 12 that are wheelchair accessible.
- 3.10 In line with the recent Government guidance, as from the 1st April 2020, any lettings by councils for social housing have to be on a formula rent basis subject to a 5% flex allowance. The calculations for the affordability of these new homes has therefore assumed a formula rent basis.
- 3.11 In addition to the purchase price of the homes, the following additional costs have been included within the financial model:
- Operating and managing costs – these have been assumed to be lower than the levels adopted for previous street property purchases for temporary accommodation and lower than the existing HRA stock to reflect the fact that these are new build, will have residents in for a longer time frame and therefore there should be a much lower management and maintenance requirement. The lifecycle costs will also be reduced in the medium term. This assumption will need to be reviewed as part of our business planning cycle.
 - Debt servicing – Allowance has been made to cover the interest costs of any required borrowing, covering the costs of the interest on borrowing.
 - Rental income – based on a formula rent basis
 - Bad debt provision
 - Property insurance costs
- 3.12 The acquisitions from BBB will incorporate both shared ownership and, where appropriate, private housing where they offer the correct type of accommodation. Any purchases will be for whole blocks or individual houses so that the freehold can be purchased and therefore the Council will be able to control all future maintenance and management costs.:
- Early acquisition of properties to allow savings to be captured
 - New properties that would offer NHBC certificates to cover any major repairs over the first 10 years and minimising maintenance costs over the medium to long term
 - All statutory certification available on completion
 - SDLT would not be payable saving on average £15-£20k per property
 - No survey fees required

- Ensure good quality new homes are retained for Croydon residents
- 3.13 Data from supply and demand figures clearly indicates that the demand for additional units of the size being acquired still exists.
- 3.14 In summary the decision to purchase these homes will deliver the following benefits:
- Proper homes for families enabling them to plan long term lives and supporting the corporate plan objectives on affordable and increased supply
 - Revenue costs avoided through the need for less emergency accommodation and an overall reduction in temporary accommodation numbers, although this depends on future levels of demand
 - The Asset value of the stock should increase enabling the Council to consider to use equity in future years
 - Increased good quality housing supply at affordable levels for local residents
 - The possibility of encouraging downsizing to release existing larger family units

Acquisition of Temporary Housing

- 3.15 As well as the purchase of BBB homes for long term social housing, it is also proposed that a number of the 2 and 3 bed properties are acquired for temporary housing in line with the proposals set out and approved by Cabinet under the March 2020 Increasing Housing Supply paper. The financial consideration for these properties has been considered on a slightly different basis with higher management and maintenance costs included within the appraisal to reflect the different type of tenancy that is likely to lead to a much higher number of tenant change-overs and more intensive management. These new homes will help meet the immediate need for homeless individuals or provide an intermediate solution at an affordable rent

4. CONSULTATION

- 4.1 No consultation has been undertaken

5. PRE-DECISION SCRUTINY

- 5.1 The purchase of these units has not been referred to Scrutiny although the Housing Strategy which covers the need and necessity to increase temporary accommodation has been to Scrutiny and in line with Scrutiny recommendations, the acquisition of any new homes will be reported quarterly.
- 5.2 Given the significant number of Brick by Brick properties planned to be acquired by the Housing Revenue Account, the Streets Environment and Homes Sub-Committee agreed that an item would be added to its

work programme in 2020-21 to assess the effectiveness of the Housing Revenue Account's client role.

6. FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

6.1 Property Values - social housing

6.1.1 The purchase prices have been agreed with BBB. In order to assess the reasonableness of the purchases prices, all the properties have been valued in accordance with the RICS Red Book recommendations based on market values for new build properties appropriate for the particular area and to reflect the tenure type. In addition a discount has been negotiated for all the private properties. Purchase prices have been agreed at or below market value before any discounts are applied.

6.1.2 The average acquisition prices for 1 and 2 bed homes are shown below together with the cost to the Council reflecting any funding that has been secured.

6.1.3 If the assumptions regarding management costs, voids and lifecycle costs remain unchanged, these purchases will result in a negligible cost to the Housing Revenue Account. This also assumes that the rents are charged at the current formula rent basis which is approximately 30% of a comparable market rent for the property.

Property Size	Number of Properties	Average purchase price (£)	Average cost allowing for grant /RTB funding (£)	Formula rent charge pa (£)
1 Bed	95	258,961	173,578	£4,544pa
2 Bed	70	289,050	197,100	£5,406pa
Total	165	£44.83m	£30.27m	

6.1.4 This investment would be funded through HRA borrowing (£30.28m), and RTB receipts (£8.05m) and GLA grant funding (£6.5m). GLA funding has been secured.

Housing Market

6.1.5 Due to the impact of the Covid 19 Pandemic, the housing market like many others is currently in a state of uncertainty which makes assessing values more difficult. In considering the valuations, regard has been had to the leading consultants and mortgage companies who monitor house prices.

6.1.6 Property transactions have generally declined by around 50% over the last 2 months and more generally there are expected to be 45% fewer transactions this year. The general consensus is that there will be a decrease in values of about 5%-10% this year with a likely recovery of between 2-5% in 2021. The

latest figures from Nationwide show that property values have declined by 0.1% over the last 12 months to June, largely due to a decrease in property values over the last two months.

Source	Value change 2020	Value change 2021
Savills	Range -5% or worst case following Covid -10%	Increase 5% (worst case 4% increase)
Knight Frank	-5%	Increase 5%
Lloyds/Halifax	-5%	Increase 2%

6.1.7 The longer term forecast is still to see property values increase of around 10-15%

6.1.8 Whilst there is some risk regarding values to purchasing new homes at the current time, the discounts negotiated allow sufficient margin to ensure that the overall values can absorb the predicted reductions and this together with the additional housing benefits the new homes will bring to Croydon residents greatly outweigh the risks

6.2 Revenue and Capital consequences of report recommendations

6.2.1 The Financial calculations have been undertaken adopting the following assumptions:

Number of properties	165
Purchase costs inclusive of fees	£44.8m
Less RTB Funding	£8.05m
GLA Grant (£100k/property)	£6.5m
PWLB average Borrowing Rate	2.0%*
Management/maintenance per unit	£500pa
Life Cycle per unit	£300
Insurance per unit	£350pa
Void Rate	2%
Bad Debt Provision	2%

6.2.2 The costs assume an interest only payment on the PWLB borrowing rate.
*The Council may take advantage of alternative forms of borrowing to underpin these purchases, only where borrowing is on more favourable terms than that provided by PWLB

Annual revenue cost estimation – 195 new social rent homes	£'000
Rental income (BASED ON Formula rents)	- 812
Voids	16
Net rent	796
Management/repairs	83
Insurance	58
Bad Debt Provision	16
Interest on borrowing	613
Life Cycle Provision	50
Net costs	-24
Overall estimated annual cost	-16.4
Annual cost per home	0.1

6.3 The effect of the decision

If rents under this programme are charged on a formula rent basis then there is an overall loss on average of £100 per property each year. The current guidance does allow for a 5% flex on the formula rents and if this were applied, even this small deficit could be removed. The properties will increase stock within the HRA and contribute towards shifting households out of temporary housing. It should be noted that the costs will largely be stable from year to year, subject to inflation, whereas the Council is able to increase rents year on year by CPI+1%.

6.4 Risks

If any of the assumptions prove inaccurate, then this will have a revenue impact within the HRA. Lower maintenance costs have been assumed to reflect the fact that these are new build properties that will house permanent rather than temporary residents. It is therefore assumed that the level of maintenance, management and general lifecycle costs will be much lower. It has also been assumed, at this stage, that the void level will be lower at 2% due to the more permanent long term nature of the tenure and the risk of bad debt due to the low rents and tenancy type has been reduced to 2%.

We do however, anticipate there to be voids over the lifetime due to tenancy changes and if higher than anticipated these will be factored to our ongoing budget setting process. If any of these are proved to be inaccurate then the cost of the scheme will lead to a larger deficit. The Housing Revenue Account includes annual provision for repairs and maintenance and it is expected that these additional properties will be absorbed and the costs covered within the existing budget provision. It should however be noted that under the new provisions an annual increase in the rent is permitted which should mitigate these risks.

As the HRA is a ring-fenced account, with day to day expenditure funded primarily by ongoing rental income, it is not affected to the same extent by the wider financial pressures faced by the Council. The lifting of the 1% rent reduction provides further security over the future income stream into the HRA. Furthermore, central government continues to offer more favourable borrowing rates for housing and the lifting of the borrowing cap enables the Council to invest in its housing stock. There is however the risk that RTB receipt levels may be reduced compared to previous years if sales are affected by the economic challenges, which could impact on any future plans to part fund purchases in this way. This will be monitored closely and the programme of purchases may need to be reviewed as a result.

6.5 Options

An alternative to purchasing the smaller scale developments from BBB is to commission building directly or to purchase “off plan” from other developers who already have a site and planning consent to construct a number of homes. Many of these schemes include a significant (100 plus) number of homes in high rise blocks. These do not always offer the most flexible accommodation for families or people wishing to downsize.

Lower density schemes offering a variety of housing types in low to medium rise developments have been considered. However no such schemes have been identified at this time that are affordable as many of the smaller developments have mainly private units or less affordable homes and therefore overall prove to be far more expensive to purchase even if discounts can be negotiated. As there are no schemes of this nature currently in the process of development, any such opportunity would not allow the immediate need to be met.

The purchase of second hand properties, including former Right to Buy homes has been considered and will be undertaken. This is likely to provide smaller numbers of units that will require more maintenance and not have standard fixtures and fittings and therefore will be more expensive to maintain longer term. The properties would also be more geographically widespread and therefore more difficult to manage.

6.6 Future savings/efficiencies

Increasing stock levels within the HRA will enable the Council to move tenants out of private landlord temporary accommodation, which is more expensive for the Council and less secure for residents.

Approved by Lisa Taylor, Director of Finance, Investment and Risk (S151 Officer).

7. LEGAL CONSIDERATIONS

- 7.1 The Director of Law and Governance comments that any transactions, such as land acquisitions, between the Council and Brick by Brick Croydon Limited are structured so as to be at arms length and on commercial and market terms. This ensures that there is no state aid to the company which is operationally independent from the Council
- 7.2 Section 120 of the Local Government Act 1972, provides the statutory power for the Council to acquire land where this is to enable the fulfilment of Council functions (in this case housing functions) and Section 12 of the Local Government Act 2003 gives the Council powers to invest for any purpose relevant to its statutory functions or for the purposes of prudent management of its financial affairs.

Approved by Sean Murphy Director of Law and Governance and Deputy Monitoring Officer

8. HUMAN RESOURCES IMPACT

- 8.1 There are no Human Resources impacts as a result of this report

Approved by: Sue Moorman Director of Human Resources

9. EQUALITIES IMPACT

- 9.1 The Equality Act 2010 introduced the Public Sector Equality Duty. This requires all public bodies, including local authorities, to have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act
- Advance equality of opportunity between people who share a protected characteristic and those who do not
- Foster good relations between people who share a protected characteristic and those who do not

The Council is proposing to purchase a number of new build properties from Brick by Brick to increase the supply of social housing. These will be held in the HRA and let at social housing rents that they may be available to a wider range of households and offer more secure and better quality homes than what would otherwise be available through alternative private sector accommodation.

- 9.2 What this means in practise is the creation of more opportunity for a wider range or protected groups to take advantage of the proposed schemes. It means that many families will be able for instance to spend less time in temporary accommodation before moving into suitable homes.

- 9.3 Whilst there is no statistical data upon which the Equality Analysis can reference it does show that the proposals will have an impact on a number or groups that share protected characteristics. This in turn will be beneficial to harmonious family life, in better quality and more secure homes, and supports the Council's Corporate Plan to address inequality through its objective 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'.
- 9.4 Available data has indicated that BAME, female headed and younger households are over-represented among those requiring new homes and are likely to be beneficiaries of this proposal. The new properties will also include 12 that are wheelchair accessible which will help support the needs of families whose members include those with physical disabilities. The proposal does not detrimentally affect any households from protected groups or disproportionately affect them compared to other groups. We will however, continue to monitor outcomes in terms of the make-up of homeless households and make adjustments to the Equality Analysis as necessary.

Approved by: Barbara Grant on behalf of Yvonne Okiyo Equalities Manager

10. ENVIRONMENTAL IMPACT

- 10.1 No specific adverse environmental effects have been identified as part of this process. Where the Council is purchasing new build properties these will have been constructed in line with current Building Regulation requirements and are therefore more efficient than most of the existing social housing stock.

11. CRIME AND DISORDER REDUCTION IMPACT

- 11.1 No specific crime and disorder impacts have been identified as a result of this scheme. It should however be noted that many of the new properties have been constructed on former garage sites that have in some cases been locations that attracted anti-social behavior. The new developments have therefore helped to reduce some element of antisocial actions.

12. REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

- 12.1 The provision of new longer term social housing homes will also help to provide housing solutions for the next step for families and a more settled home environment with the many benefits that has to offer.
- 12.2 The purchase of homes for emergency and temporary accommodation will help meet these requirements and reduce the Council's reliance on Bed and

Breakfast type accommodation and provide better quality homes for homeless families as well as revenue savings.

13. OPTIONS CONSIDERED AND REJECTED

- 13.1 The Council has already considered and entered into a number of different housing solutions to address the need for temporary and emergency accommodation and continues to review options.
- 13.2 These have included taking long leases, typically for 40 years with rents below Local Housing Allowance levels but subject to RPI increases. At the end of the 40 years the Council can acquire the properties for £1. A number of these schemes are currently being reviewed to assess their cost effectiveness against the model proposed in this report. These schemes may have a future place in proving this type of accommodation but do not offer the overall flexibility that straight purchase of homes has to offer.
- 13.3 An alternative to purchasing the smaller scale developments from BBB is to purchase “off plan” from other developers who already have a site and planning consent to construct a number of homes. Many of these schemes include a significant (100 plus) number of homes in high rise blocks. These do not always offer the most flexible accommodation for families or people wishing to downsize. The advantage of the BBB developments are that they are mainly in smaller scale housing blocks which are already imbedded within or close to existing social housing areas which help offer alternative housing solutions to local residents.. However, lower density schemes offering a variety of housing types in low to medium rise developments could provide appropriate accommodation. As there are no schemes of this nature currently in the process of development, any such opportunity would not allow the immediate need to be met.
- 13.4 The purchase of second hand properties, including former Right to Buy homes has been considered but this is likely to provide smaller numbers of units that will require more maintenance and not have standard fixtures and fittings and therefore will be more expensive to maintain longer term. The properties would also be more widespread and therefore more difficult to manage.

14. DATA PROTECTION IMPLICATIONS

14.1 WILL THE SUBJECT OF THE REPORT INVOLVE THE PROCESSING OF ‘PERSONAL DATA’?

No

As the purchases will not involve purchasing homes from private individuals it will not involve the processing of personal data.

14.2 **HAS A DATA PROTECTION IMPACT ASSESSMENT (DPIA) BEEN COMPLETED?**

NO

Approved by: Steve Wingrave on behalf of the Director of Housing and Social Investment

CONTACT OFFICER: Steve Wingrave, Head of Asset Management and Estates ext 61512.

APPENDICES TO THIS REPORT: None

BACKGROUND PAPERS: Equalities Analysis Form

REPORT TO:	Cabinet 20 July 2020
SUBJECT:	Croydon Offer for Care Leavers, Commitment to Children in Care and National Pledge
LEAD OFFICER:	Robert Henderson, Executive Director Hannah Doughty Head of Service
CABINET MEMBER:	Cllr Alisa Fleming Cabinet Member for Children, Young People and Learning
WARDS:	All

CORPORATE PRIORITY/POLICY CONTEXT/ AMBITIOUS FOR CROYDON

The offer to our young adults leaving care is fully aligned to our Corporate Plan for Croydon (2018-2020) in the following areas

- Our children and young people thrive and reach their full potential
- Everyone feels safer in their street, neighbourhood and home
- Everyone has the opportunity to work and build their career.

[Corporate Plan for Croydon 2018-2022](#)

FINANCIAL IMPACT

The estimated financial impact calculated in accordance with the leaving care financial policy of £365k will be contained within the existing Early Help and Children’s Social Care budget for 2020/21 and beyond.

FORWARD PLAN KEY DECISION REFERENCE NO: 2020CAB

The decision may be implemented from 1300 hours on the 6th working day after the decision is made, unless the decision is referred to the Scrutiny & Overview Committee by the requisite number of Councillors.

The Leader of the Council has delegated to the Cabinet the power to make the decisions set out in the recommendations below

1. RECOMMENDATIONS

- 1.1 To consider, provide views and agree that Croydon Council and its partners:
- Adopt the National Pledge for children in care and care leavers;
 - Make a Croydon Commitment to children in care;
 - Provide a refreshed local offer for Croydon’s care leavers.

2. EXECUTIVE SUMMARY

Croydon Council seeks to provide the best opportunities for our children looked after and care leavers in line with our duties as corporate parents. They are part

of our 'Croydon Family'. The Children and Social Work Act 2017 directs all Local Authorities to provide a local offer for care leavers detailing the services they provide. The Act also names the Council, elected members, employees and partner agencies as corporate parents. We believe we have created a local offer that will ensure, as collective corporate parents, that we keep all children looked after and care leavers safe and enable them to have high aspirations for their futures.

This document will set out our updated local offer for care leavers, along with our adoption of the 'National Pledge' and Croydon's commitment to children looked after and care leavers.

The National Pledge for children looked after and care leavers

- 2.1 The national conference for care experienced people developed a set of principles which it asked all Local Authorities to adopt as their own. As such, Croydon commits to the following:

We will listen to our children/young people and ensure they have access to all legal entitlements. We understand they are experts in their own lives who deserve love and respect as individuals (within the context of their own experience). We recognise relationships are at the core of all we do and we must ensure the emotional well-being of our children/young people are prioritised.

- 2.2 Croydon would like to adopt the National Pledge for its children looked after and care leavers:

1. To act in the best interests, and promote the physical and mental health and well-being, of children and young people
2. To encourage children and young people to express their views, wishes and feelings
3. To take into account the views, wishes and feelings of children and young people
4. To help children and young people gain access to, and make the best use of, services provided by the local authority and its relevant partners
5. To promote high aspirations, and seek to secure the best outcomes, for children and young people
6. For children and young people to be safe, and for stability in their home lives, relationships and education or work; and
7. To prepare children and young people for adulthood and independent living

3 COMMITMENTS

- 3.1 Croydon would like to make the following commitments to its children in care:

1. We will help you build your social life and help you to keep in touch with your family and friends
2. We will help you do the things you love
3. We will make sure you are happy with where you live and listen to your views
4. We will help you with your education and whatever you choose to do in life

5. We will make sure you have someone to talk to who gives you good advice
6. We will listen to your thoughts and feelings
7. We will try and understand you as a person, not just a child looked after
8. We will give you all the support you need to go home (if it is an option)
9. We will make sure you have a good relationship with your Social Worker and Personal Adviser
10. We will be there for you in the future and support you to learn the skills you will need to live alone
11. You can have access to your records if you want
12. We will love you for who you are and always welcome you

4. THE 'LOCAL OFFER' FOR CARE LEAVERS IN CROYDON

Summary

The 'Local Offer' for care leavers has been updated, to ensure that they feel supported financially, emotionally, practically and so that they feel part of the 'Croydon Family'.

Key additions include an increase in the setting up allowance and assistance with moving home so our young people are supported at the crucial time of transitioning into independence. This includes an exemption from council tax (until 25 years old) and an arrangement with Housing Services in Croydon that they will not issue a decision of 'intentionally homeless' for any of our care leavers below 25 years old. All care leavers in employment or regular education will be supported with the cost of driving lessons, along with a commitment by the Council to apprenticeship opportunities. We plan to link this to our staff volunteering scheme where employees can 'buddy' and mentor young people entering Council employment, to ensure they have the best experience possible and are supported to become part of the workforce, the 'family business'.

The Offer in full

- 4.1 Croydon Children's Services wish to make the following pledge to our care leavers:
- You will have a Personal Adviser by the time you are 16½ years old who will visit you regularly and in line with your individual needs
 - At 16 years old you will have a 'pathway plan' which will set out all your needs, ambitions and goals, including where you will live, study and work
 - You will be provided with somewhere safe to live
 - You will receive assistance to develop a clear financial plan, which will include an assessment to see if you are eligible for an emergency additional income one-off payment
 - We will ensure all your health needs are met and you leave care with a 'health passport'
 - We will ensure you have a photo ID (such as passport, biometric card or provisional driving licence), National Insurance number and a copy of your birth certificate
 - We will ensure you are listened to and know how to access external support and advocacy services, and that you are aware of our complaints procedure

4.2 Housing

- Housing Services in Croydon will not issue you with a decision of 'intentionally homeless' if you are a care leaver under the age of 25
- As a child looked after your housing needs will be considered by the Housing Panel by the time you are 17½ and you will have a clear Housing Options Pathway Plan (by your final looked after review, before you turn 18)
- You will be placed on the Housing Register at 18 years old, as priority Band B which will allow you to bid on properties (if this has been agreed as part of your Pathway Plan)
- You will be entitled to social housing (unless you are an asylum seeker with no recourse to public funds)

4.3 Education, Employment and Training

- If you are a care leaver in education post 19 (or 18 if at university), you will have access to tutor hours for additional learning to support you through exams if you want. These will be offered in conjunction with a clear Pathway Plan or Personal Education Plan setting out education goals
- If you are in regular education, employment or training you will be supported with the costs towards ten driving lessons and one theory and practical test paid for
- As a care leaver you will be able to apply for apprentice opportunities within Croydon Council (this will be at least one place in each part of the Council and three within Children's Services per year)

4.4 Money

- We will provide you with up to six weeks subsistence payments, mirrored to the current benefit rate (to assist you while waiting for your initial benefits claim to be processed), this will be paid via the setting up home grant

4.5 Birthday gifts

- A gift and a contribution towards the cost of celebrations will be paid to you until your 21st birthday if you are in contact with us
 - £50 for your 17th, 19th and 20th birthdays
 - £100 for your 18th and 21st birthdays

4.6 Setting up home allowance

- You will receive up to £2,000 to help with getting essentials for your first home. The allowance is accessed as part of the planned process, alongside the Pathway Plan and is divided up as follows:
 - £1800 for furniture and appliances (this can include purchase of flooring/carpeting)
 - £150 for a TV licence (first year)
 - £50 basic essentials

4.7 Council Tax

- As a care leaver you will be exempt from paying council tax in Croydon until the age of 25. If you live outside of Croydon your council tax will be covered up to the equivalent band of a similar property type in Croydon.

4.8 Care leavers living outside of Croydon

- Your Personal Adviser will liaise with the local Care Leaver's Service to see

what opportunities could be available for you. This will be clearly stated in your Pathway Plan.

- 4.9 Moving in to a new home
- You will have help with costs of hiring a van or removal service
 - You will receive assistance on your moving day from a Personal Adviser
- 4.10 Rent (until benefit in place)
- We have made an agreement that the Housing Service (both within Croydon and other areas) and Care Leavers Service will liaise with each other to avoid rent arrears where possible
- 4.11 Health
- We will pay travel for all care leavers to attend hospital appointments for non-routine health concerns, such as surgery
 - You will receive a Health Passport upon turning 18, this will also include support with your emotional health
 - You will be fully supported by your Personal Adviser to register with a GP, Dentist and Optician
- 4.12 Participation in Society
- We will support you to engage with your community and local activities such as religious groups, art groups, support groups, gyms, social groups, etc

5. CONSULTATION

- 5.1 Initial consultation groups were led by the young people's participation worker with the care leavers outreach group, this led to a subsequent working group which comprised of ten care leavers. They have actively contributed to the development of this offer and are in agreement with its content.

6. PRE-DECISION SCRUTINY

- 6.1 This report was discussed by CYP Scrutiny Committee on the 6 July 2020. The cabinet considered the Croydon Offer and noted that the "Local Offer" was updated to continue to improve the Council support for Care Leavers and their experiences and outcomes. The outcome of the most recent Ofsted inspection was overall Good but the inspectors found that our support for Care Leavers is Requiring Improvement to be good. The draft recommendations to Cabinet were supported.
- 6.2 The proposed pledge was discussed at the Corporate Parenting Panel on 4th March 2020.

7 FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

- 7.1 The estimated financial impact of the proposed financial policy revision is £365k per annum and will be contained within the Early Help and Children's Social Care budget for 2020/21 and beyond.

Approved by Lisa Taylor, Director of Finance, Investment and Risk and S151 Officer

8. LEGAL CONSIDERATIONS

- 8.1 The Head of Social Care and Education Law has commented on behalf of the Director of Law and Governance that there is significant legislation and statutory guidance which sets out the role of the Local Authority as the Corporate Parent in respect of children in care and care leavers, which includes the Children and Social Work Act 2017 and the Children and Young Persons Act 2008.

Approved by Doutimi Aseh, Head of Social Care and Education Law on behalf of the Director of Law and Governance & Deputy Monitoring Officer

9. HUMAN RESOURCES IMPACT

- 9.1 There are no direct human resources implications expected as a result of the development and implementation of this offer. The priorities and actions created to support its implementation are either already planned for, or will be supported through to delivery through creating a skilled and motivated workforce, aligned to [Croydon's Workforce Strategy](#),

Approved by: Nadine Maloney, Head of Human Resources Children, Families and Education on behalf of the Director of Human Resources

10. EQUALITIES IMPACT

- 10.1 An Equality Analysis was undertaken to ascertain the potential impacts on groups that share a protected characteristic.
- 10.2 No negative impact is identified, the Equality Analysis demonstrates that the policy evidence shows no potential for discrimination and that all opportunities to advance equality have been taken.

11. ENVIRONMENTAL IMPACT

- 11.1 There are no significant changes, increased or decreased environmental impacts in the following areas:
- Energy use and associated carbon dioxide emissions (e.g. new or refurbished building, purchase of IT equipment, increased vehicle movements etc.) The Council "Carbon Management Energy Efficiency Programme" (approved by Cabinet October 2010) set a target to reduce carbon emissions from the council's own operations by 25% over the next 5 years (compared to 2009/10 baseline).
 - Water use (e.g. new or refurbished building, parks and irrigation etc.)

- Use of natural resources (e.g. durability of products and materials, products made with recycled materials to offset raw material use, use of sustainable timber etc.)
- Pollution to air, land or water (e.g. air quality impact from increased vehicle use, use of paints, pesticides etc.)
- Waste (e.g. construction waste, disposal of surplus furniture, promotion of waste minimisation behaviour etc.)
- Transport - aside from the energy & air quality impacts of vehicle use, will the recommendation(s) increase vehicle congestion or promote other modes of transport (e.g. public transport, cycling, walking)?
- Biodiversity (e.g. loss or creation of habitats, street trees, parks etc.)

12. CRIME AND DISORDER REDUCTION IMPACT

12.1 We know from research Care Leavers (nationally) are over-represented in the criminal justice system. This is impacted on by wider systemic factors

- *Those with experience of the care system are more likely to have experienced significant trauma and abuse and other disadvantage that can put them more at risk of violence, self harm and suicide when in prison. Many also have experiences of being failed by their corporate parents and can come to prison feeling extremely isolated and angry.’ (Farmer Review, 2017)*
- 27% of the prison population have spent some time in care, despite the fact that only 1% of under 18s enter Local Authority care annually (HM Prison and Probation service, 2019)
- Care leavers are more likely to be reconvicted or breached when they leave custody (MoJ, 2013).
- Unfortunately, research suggests that Care Leavers are far less likely to achieve well in education than their peers. In 2013, only 27% of children in care had achieved 5 GCSE’s compared to 80% of non-looked after children (DfE, 2013). The impact of trauma and maltreatment in childhood (63% of children enter care as a result of abuse or neglect) places Care Leavers at risk of poor physical and mental health. It can also impact on their ability to self-regulate their feelings and behaviour. For many Care Leavers, their physical and mental health needs may not have been diagnosed or treated due to lack of support networks or regular placement moves. All of this can exacerbate an environment of disadvantage where Care Leavers can find it more difficult to find employment and find themselves in difficulty from exposure to and participation in criminal activity.

Our offer to care leavers seeks to increase opportunities for our young people that will increase their social capital and reduce societal disadvantage, exclusion and discrimination. Alongside emotional and relational support, practical measures such as assisting with driving lessons and providing Council based apprenticeship opportunities are viewed to be key to this. This approach also has direct links to the Public Health Model to reduce serious youth violence.

13. OPTIONS CONSIDERED AND REJECTED

13.1 This revised Local Offer has been written drawing from examples of best practice of Local Authorities where Ofsted found an Outstanding offer to Care Leavers.

14. DATA PROTECTION IMPLICATIONS

There are no issues around data protection.

14.1 **WILL THE SUBJECT OF THE REPORT INVOLVE THE PROCESSING OF 'PERSONAL DATA'?**

NO

14.2 **HAS A DATA PROTECTION IMPACT ASSESSMENT (DPIA) BEEN COMPLETED?**

NO

Approved by Nick Pendry, Director Early Help and Children's Social Care

CONTACT OFFICER: Hannah Doughty , Head of Children Looked After and Care Leavers

BACKGROUND DOCUMENTS: None

For General Release

REPORT TO:	CABINET 20 JULY 2020
SUBJECT:	STAGE 2: RESPONSE TO RECOMMENDATIONS ARISING FROM: SCRUTINY & OVERVIEW COMMITTEE ON 10 FEBRUARY 2020, STREETS, ENVIRONMENT HOMES SCRUTINY SUB-COMMITTEE ON 4 FEBRUARY 2020, SCRUTINY & OVERVIEW COMMITTEE ON 25 FEBRUARY 2020 AND HEALTH & SOCIAL CARE SCRUTINY SUB-COMMITTEE ON 10 MARCH 2020.
LEAD OFFICER:	Jacqueline Harris Baker, Executive Director of Resources and Monitoring Officer Stephen Rowan, Head of Democratic Services and Scrutiny
CABINET MEMBER:	All
WARDS:	All
CORPORATE PRIORITY/POLICY CONTEXT/ AMBITIOUS FOR CROYDON <u>Corporate Plan for Croydon 2018-2022</u>	
The constitutional requirement that Cabinet receives recommendations from scrutiny committees and to respond to the recommendations within two months of the receipt of the recommendations.	
FINANCIAL IMPACT The recommendations in the appendix to this report may have a financial implication and as each recommendation is developed the financial implication will be explored and approved.	
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

- 1.1 Cabinet is recommended to approve the response and action plans attached to this report at Appendix A and that these be reported to the Scrutiny and Overview Committee or relevant Sub-Committees.

2. EXECUTIVE SUMMARY

2.1 This report asks the Cabinet to approve the full response reports arising from the Stage 1 reports presented to the Cabinet meetings held on 24 February 2020 and 11 May 2020 including:

- Action plans for the implementation of agreed recommendations, or
- Reasons for rejecting the recommendations

and that these be reported to the Scrutiny and Overview Committee or relevant Sub-Committees.

2.2 The Constitution requires that in accepting a recommendation, with or without amendment, from a Scrutiny and Overview Committee or Sub-Committee, the Cabinet shall agree an action plan for the implementation of the agreed recommendations and shall delegate responsibility to an identified officer to report back to the Scrutiny and Overview Committee or Sub-Committee, within a specified period, on progress in implementing the action plan.

3. SCRUTINY RECOMMENDATIONS

3.1 The Scrutiny recommendations are contained in the schedule in the appendix to this report.

3.2 The detailed responses including reasons for rejected recommendations and action plans for the implementation of agreed recommendations are contained in the appendices.

4. CONSULTATION

4.1 The recommendations were developed from the deliberations of either the Scrutiny & Overview Committee or one of its Sub-Committees.

4.2 The recommendations in the appendix to this report may involve further consultation and as each recommendation is developed these implications will be explored and approved.

5. PRE-DECISION SCRUTINY

5.1 The recommendations in the appendix to this report are the result of Pre-Decision Scrutiny.

6. FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

- 6.1 The recommendations in this report may have a financial implication and as each recommendation is developed the financial implication will be explored and approved.

Approved by: Lisa Taylor, Director of Finance, Investment & Risk.

7. LEGAL CONSIDERATIONS

- 7.1 The Head of Litigation and Corporate Law comments on behalf of the Director of Law and Governance that the Constitution requires that Cabinet both receives recommendations from Scrutiny Committees and responds to the recommendations within two months of their receipt.

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

8. HUMAN RESOURCES IMPACT

- 8.1 The recommendations in the appendix to this report may have a Human Resources impact and as each recommendation is developed these implications will be explored and approved.

9. EQUALITIES IMPACT

- 9.1 The recommendations in the appendix to this report may have an Equalities impact and as each recommendation is developed these implications will be explored and approved.

10. ENVIRONMENTAL IMPACT

- 10.1 The recommendations in the appendix to this report may have an Environmental impact and as each recommendation is developed these implications will be explored and approved.

11. CRIME AND DISORDER REDUCTION IMPACT

- 11.1 The recommendations in the appendix to this report may have a Crime and Disorder reduction impact and as each recommendation is developed these implications will be explored and approved.

12. REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

12.1 These are contained in the appendix to this report.

13. OPTIONS CONSIDERED AND REJECTED

13.1 These are contained in the appendix to this report.

14. DATA PROTECTION IMPLICATIONS

14.1 WILL THE SUBJECT OF THE REPORT INVOLVE THE PROCESSING OF 'PERSONAL DATA'?

The recommendations in the appendix to this report may involve the processing of 'personal data' and as each recommendation is developed these implications will be explored and approved.

14.2 HAS A DATA PROTECTION IMPACT ASSESSMENT (DPIA) BEEN COMPLETED?

NO

The recommendations in the appendix to this report may require a DPIA and as each recommendation is developed these implications will be explored and a DPIA carried out where necessary.

CONTACT OFFICER:

Stephen Rowan, Head of Democratic Services and Scrutiny
T: 020 8726 6000 X 62529
Email: stephen.rowan@croydon.gov.uk

APPENDICES:

Appendix A: Scrutiny Stage 2 Responses

BACKGROUND DOCUMENTS:

Background document 1:

Report to Scrutiny & Overview Committee on 10 February 2020.

<https://democracy.croydon.gov.uk/ieListDocuments.aspx?CId=166&MId=1940>

Background document 2:

Report to Streets, Environment & Homes Sub-Committee Committee on 4 February 2020.

<https://democracy.croydon.gov.uk/ieListDocuments.aspx?CId=170&MId=1980&Ver=4>

Background document 3:

Report to Scrutiny & Overview Committee on 25 February 2020.

<https://democracy.croydon.gov.uk/ieListDocuments.aspx?CId=166&MId=1942&Ver=4>

Background document 4:

Report to Health & Social Care Sub-Committee Committee on 10 March 2020.

<https://democracy.croydon.gov.uk/ieListDocuments.aspx?CId=168&MId=1955&Ver=4>

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SCRUTINY RECOMMENDATION	CONCLUSIONS	DEPARTMENT AND CABINET MEMBER RESPONDING	ACCEPT/ REJECT RECOMMENDATIONS (inc. reasons for rejection)	IDENTIFIED OFFICER	ANY FINANCIAL IMPLICATIONS	TIMETABLE FOR IMPLEMENTATION OF RECOMMENDATIONS IF ACCEPTED (ie Action Plan)	DATE OF MEETING TO REPORT BACK
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Report: Fairfield Halls (Considered by the Scrutiny & Overview Committee on 10 February 2020)

1. That BH Live be invited to attend a meeting of the Committee in Summer of 2021 to update Members on the progress made, to allow the committee to assess their progress against the operator's original business case.	That while occupancy levels at the Halls were not as high as immediately prior to their closure for its restoration, they were positive in the context of the building work having only recently been completed and car parking provision not being available. It would take a full year of operation before the Committee could fully assess the performance of the restored Halls.	Councillor Oliver Lewis Place	Accept	Paula Murray	N/A	In the current extraordinary circumstances, with Fairfield Halls now closed until further notice as a result of the Covid-19 crisis, a review of progress in Summer 2021 will have a different basis. However, this would still be an appropriate timescale for a review.	Summer 2021
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Report: Question Time: Cabinet Member for Culture, Sport and Leisure (Considered by the Scrutiny & Overview Committee on 10 February 2020)

1. That the musical heritage trial be developed to include Croydon's rich musical heritage in the genres of rock, R&B and folk music.	That while the evolving cultural programme in the Borough was to be commended for promoting Croydon's youth culture, the programme should also be inclusive of all ages and celebrate the many historical aspects of culture in Croydon.	Councillor Oliver Lewis Place	Accept	Paula Murray	Dependent on successful funding bid to HLF	Bid and plans drafted but suspended due to Covid-19, plans include all genres of Croydon's musical heritage.	TBC
2. That the Cabinet Member for Finance and Resources and the Cabinet Member for Culture, Leisure and Sport expedite the review of by-laws.	That the previous recommendation requesting a review of the Council's by-laws in parks had not been undertaken and remained outstanding.	Councillor Oliver Lewis Place	Accept	Paula Murray/ Steve Iles	N/A	The review will be allocated to the 2020/21 work programme, with an anticipated completion by March 2021.	May 2021

SCRUTINY RECOMMENDATION	CONCLUSIONS	DEPARTMENT AND CABINET MEMBER RESPONDING	ACCEPT/ REJECT RECOMMENDATIONS (inc. reasons for rejection)	IDENTIFIED OFFICER	ANY FINANCIAL IMPLICATIONS	TIMETABLE FOR IMPLEMENTATION OF RECOMMENDATIONS IF ACCEPTED (ie Action Plan)	DATE OF MEETING TO REPORT BACK
3. That the Cabinet Member be asked to provide an update in 12 months on the success of the implementation of the Library Plus programme.	That the trailing of extended library opening hours was to be commended and likely to provide a beneficial study environment at evening and weekends.	Councillor Oliver Lewis Place	Accept – the timescale of a review in 12 months is still appropriate although progress will now be different due to library closures during the Covid-19 crisis.	Paula Murray	N/A	Open+ technology will be in place in Selsdon when it is safe to reopen fully to the public. Open+ is being implemented in refurbished Norbury Library and new South Norwood Libraries. Under COVID conditions we would not use Open+ technology for extended unstaffed opening hours until government guidance suggests it is safe to do so.	Summer 2021
4. That the use of Council vehicles in its parks be limited to vehicles that are appropriate and sensitive to the park environment.	That there are examples of where more co-ordination between portfolios would be of benefit, such as the use of inappropriate vehicles by other council services in the borough's parks.	Councillor Oliver Lewis Place	Accept – Council services managing parks will collaborate with the relevant Council services to minimise and mitigate use of inappropriate vehicles in our parks.	Paula Murray/ Steve Iles	N/A	Review of current status of vehicles in parks – Summer 2020. Collaboration with relevant Council services to minimise use of inappropriate vehicles – Winter 2020.	Winter 2020

Report: Proposed General Fund Revenue Budget 2020-21 (Considered by the Scrutiny & Overview Committee on 10 February 2020)

1. That the Cabinet Member for Finance and Resources be requested to provide an update on the bedding in of the Council's new financial monitoring systems in September 2020.	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.	Councillor Simon Hall Resources	Accept	Lisa Taylor	N/A	Financial reporting takes place all year with reports presented to Cabinet on a quarterly basis. Reporting processes are being enhanced in 20/21 for internal purposes, Cabinet reports will continue to be on a quarterly basis. Will report to Scrutiny and overview committee in September 2020.	September 2020
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SCRUTINY RECOMMENDATION	CONCLUSIONS	DEPARTMENT AND CABINET MEMBER RESPONDING	ACCEPT/ REJECT RECOMMENDATIONS (inc. reasons for rejection)	IDENTIFIED OFFICER	ANY FINANCIAL IMPLICATIONS	TIMETABLE FOR IMPLEMENTATION OF RECOMMENDATIONS IF ACCEPTED (ie Action Plan)	DATE OF MEETING TO REPORT BACK
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Report: Question Time: Cabinet Member for Homes and Gateway Services (Considered by the Streets, Environment & Homes Sub-Committee on 4 February 2020)

<p>1. In the event that the Secretary of State refused to extend the Council's Landlord Licencing scheme or decided to reduce the scope of the existing scheme, the Sub-Committee recommends that a contingency plan is prepared for use during the re-submission period to ensure minimal disruption.</p>	<p>The Sub-Committee praised the extensive level of evidence gathered on the Council's Landlord Licensing scheme by the Housing Service in developing its submission to the Secretary of State and recognised that there were significant risks should there be a negative outcome of the review.</p>	<p>Councillor Alison Butler Place</p>	<p>Accept</p>	<p>Steve Iles</p>	<p>N/A</p>	<p>30 September 2020</p>	<p>TBC</p>
<p>2. That the approach used by the Housing Service in engaging with the voluntary and community sector be developed and used as the Localities Programme expands to other areas of the borough.</p>	<p>The Sub-Committee endorsed the engagement of the Housing Service with the voluntary sector on the Localities Programme pilots. The support shown from various partners for the Localities Model was also welcomed, with it recognised that there was a strong commitment to successfully work together for the benefit of the most vulnerable residents in the borough.</p>	<p>Councillor Alison Butler Place</p>	<p>Accept</p>	<p>Hazel Simmonds</p>	<p>N/A</p>	<p>Examples of how Housing services and the Voluntary sector have worked at pace in localities over the last few months with our most vulnerable tenants include: The setting up of the shielded hubs based on localities within 8 days of lockdown. Tenancy working with the Vol Sec to deliver food to Shielded, non- Shielded adults and Children's Door knocking and telephone calls to over 14,000 shielded residents by tenancy and community development team. Tenancy Sustainment have contacted families of those who are deceased due to Covid to offer advice and support around funeral arrangements. Welfare Checks have been</p>	<p>TBC</p>

SCRUTINY RECOMMENDATION	CONCLUSIONS	DEPARTMENT AND CABINET MEMBER RESPONDING	ACCEPT/ REJECT RECOMMENDATIONS (inc. reasons for rejection)	IDENTIFIED OFFICER	ANY FINANCIAL IMPLICATIONS	TIMETABLE FOR IMPLEMENTATION OF RECOMMENDATIONS IF ACCEPTED (ie Action Plan)	DATE OF MEETING TO REPORT BACK
						carried out remotely to ensure tenants are supported throughout this period of lock down.	
<p>3. That Cabinet Members lobby the Department of Work and Pensions to provide the Council with access to their data, to support the Council's work with vulnerable residents.</p>	<p>The Sub-Committee warmly welcomed the work by the Housing Service in lobbying the Department of Works and Pensions for access to their data in order to enable the Council to identify vulnerable residents at an early stage and agreed that there was scope for elected Members to add their voices to the lobbying.</p>	<p>Councillor Alison Butler Place</p>	<p>Accept</p>	<p>Julia Pitt</p>	<p>N/A</p>	<p>A letter signed by 6 LAs (Croydon, Barking and Dagenham, Camden, Luton, Tower Hamlets and Neath and port Talbot) was sent to Paul Lodge, Chief Data Officer at the DWP on the 22nd April 2020.</p> <p>It laid out two options:</p> <p>Option 1 would be to provide all Universal Credit household data to local authorities and trust them to use it only for specific purposes as set out in the regulations, just as they do now with Housing Benefit data. Local authorities would be charged with deciding what was proportionate and specific, based on the regulations and the memorandum of understanding with DWP. I would be interested in your view on this proposal.</p> <p>Option 2 would be to provide proportionate and specific data to local authorities.</p> <p>It concluded with the following paragraph - Rather than continue this debate through correspondence, I believe it would now be more productive for several of us to meet with you and relevant colleagues to discuss this request and the arguments we have made.</p>	<p>TBC</p>

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						<p>Could we arrange a meeting, or more likely a video conference, in the next 4 to 6 weeks?</p> <p>All parties are still awaiting a response to the letter.</p>	

Report: Axis Responsive Repair Contract Review (Considered by the Streets, Environment & Homes Sub-Committee on 4 February 2020)

1. That consultation with the Sub-Committee be built into the procurement process when the contract was next reviewed.	The Sub-Committee agreed that it would be beneficial to be consulted on the procurement options at the review point of Responsive Repairs contract.	<p>Councillor Alison Butler</p> <p>Place</p>	Accept	Ozay Ali	N/A	<p>It has been agreed to extend the current contract from March 2021 to allow for this exercise to take place and given delays as a result of Covid-19. This extension of contract report will go to CCB and Cabinet in August/September 2020. Review of any other procurement options is now delayed as a result to later in 2020/21.</p>	TBC
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Report: Housing Revenue Account (Considered by the Streets, Environment & Homes Sub-Committee on 4 February 2020)

1. That the Administration continues to lobby Government to increase housing grants to the Mayor of London.	The Sub-Committee recognised that Housing Grants provided by the Government to the Mayor of London for purchases was cost effective and provided good value for money for the Housing Revenue Account. As such the continued lobbying of the Government to increase the housing grant by the Administration was both welcomed and supported.	<p>Councillor Alison Butler</p> <p>Place</p>	Accept	Ozay Ali	N/A	<p>The 2020/21 BCHFL (Building Council Homes for Londoners) programme which will deliver 144 new affordable rent housing for the council, grant value £14.4m will be going to July's cabinet. The team are currently working with our development partner Brick by Brick on the 2021/22 programme once completed we will be approaching the GLA for additional funding and requesting an uplift on the £100k per unit allocation.</p>	September 2020
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SCRUTINY RECOMMENDATION	CONCLUSIONS	DEPARTMENT AND CABINET MEMBER RESPONDING	ACCEPT/ REJECT RECOMMENDATIONS (inc. reasons for rejection)	IDENTIFIED OFFICER	ANY FINANCIAL IMPLICATIONS	TIMETABLE FOR IMPLEMENTATION OF RECOMMENDATIONS IF ACCEPTED (ie Action Plan)	DATE OF MEETING TO REPORT BACK
2. That quarterly reports be published by the Housing Service on transactions relating to the acquisition of housing stock funded by the Housing Revenue Account	The Sub-Committee was concerned about the level of transparency on acquisitions of housing stock funded by the Housing Revenue Account and agreed that improvement was needed in this area.	Councillor Alison Butler Place	Accept	Ozay Ali	N/A	At present the acquisitions are reported through the Investing in our Borough section of Cabinet decisions both prior and after completion of the purchases. However given the proposed increase in the number of transactions it would be helpful to show the progress and commitment made to improving the housing stock through regular updates going to cabinet focused on housing delivery.	September 2020

Report: Brick by Brick (Considered by the Streets, Environment & Homes Sub-Committee on 4 February 2020)

1. In the preparation of the report for the next review of Brick by Brick in 2021 that earlier engagement in the report writing process be undertaken with the Chair of the Sub-Committee to refine the report to the Sub-Committee's specifications.	The Sub-Committee was disappointed with the level of information provided in the report and agreed that the Chair would work with officers when Brick by Brick was next reviewed in 2021 to refine the report.	Councillor Alison Butler Place	Accept	Jacqueline Harris Baker/ Shifa Mustafa	N/A	Representatives of Brick by Brick will make themselves available in advance of the 2021 scrutiny meeting to enable the scrutiny report to best reflect the requests from scrutiny members where possible.	TBC
2. Consideration be given to how to improve public understanding of the relationship between the Council and Brick by Brick, and an update provided on the work	The Sub-Committee recognised that as Brick by Brick was a commercial organisation with the Council as its sole shareholder it was reasonable to expect a high level of public interest and agreed that a greater level of communication and	Councillor Alison Butler Place	Accept	Jacqueline Harris Baker/ Shifa Mustafa	N/A	This recommendation will be raised and explored at the shareholders' meeting and progress will be reported to Scrutiny at its 2021 review	TBC

SCRUTINY RECOMMENDATION	CONCLUSIONS	DEPARTMENT AND CABINET MEMBER RESPONDING	ACCEPT/ REJECT RECOMMENDATIONS (inc. reasons for rejection)	IDENTIFIED OFFICER	ANY FINANCIAL IMPLICATIONS	TIMETABLE FOR IMPLEMENTATION OF RECOMMENDATIONS IF ACCEPTED (ie Action Plan)	DATE OF MEETING TO REPORT BACK
undertaken in this area when Brick by Brick was next reviewed by the Sub-Committee in 2021.	transparency was needed to improve the public's understanding of the relationship between the two organisations.						
3. The Council develop a 'RAG' monitoring approach for its housing developments, including both pipeline and on site projects and publish the report quarterly in order to further enhance transparency on housing delivery.	The Sub-Committee recognised that as Brick by Brick was a commercial organisation with the Council as its sole shareholder it was reasonable to expect a high level of public interest and agreed that a greater level of communication and transparency was needed to improve the public's understanding of the relationship between the two organisations.	Councillor Alison Butler Place	Partially Accept	Jacqueline Harris Baker/ Shifa Mustafa	No direct financial implications	A RAG system is already in use at the Shareholders' meeting. Consideration will be given to what aspects of that report are appropriate for release into the public domain, with specific regard to commercial sensitivities, and an update will be provided at the 2021 Scrutiny review	TBC
4. An update be provided for the Sub-Committee by Brick by Brick once the registration issue had been resolved.	The Sub-Committee noted that the lending issues faced by some prospective buyers were a result of the Government's housing regulator issuing new guidance on "housing provider" registration. Considering the potential impact upon prospective purchasers, the Sub-Committee welcomed the swift action taken to finalise the registration process and requested confirmation once this had been fully resolved.	Councillor Alison Butler Place	Accept	Jacqueline Harris Baker/ Shifa Mustafa	No direct financial implications	Sub-committee Members will be updated once the issue is resolved and a full update will be provided at the 2021 Scrutiny review	TBC

SCRUTINY RECOMMENDATION	CONCLUSIONS	DEPARTMENT AND CABINET MEMBER RESPONDING	ACCEPT/ REJECT RECOMMENDATIONS (inc. reasons for rejection)	IDENTIFIED OFFICER	ANY FINANCIAL IMPLICATIONS	TIMETABLE FOR IMPLEMENTATION OF RECOMMENDATIONS IF ACCEPTED (ie Action Plan)	DATE OF MEETING TO REPORT BACK
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Report: Question Time: Cabinet Member for Safer Croydon & Communities (Considered by the Scrutiny & Overview Committee on 25 February 2020)

1. That further work be undertaken on the pooling of grant funding with other partners in order to maximise the amount available for local community and voluntary organisation.	The Committee concluded that the progress made on sharing pots of funding was to be welcomed, with it agreed that given the limited funds available that it would be important to encourage further work in this area in order to maximise the funding available for the voluntary and community sector.	Councillor Hamida Ali Resources	Accept	Gavin Handford	N/A	The main area of opportunity is with health partners. Discussions on joint work with VCS partners is taking place in June / July 2020, where the opportunity will be discussed and if supported, a timetable developed.	TBC
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Report: Review of Safer Croydon Partnership & Violence Reduction Network (Considered by the Scrutiny & Overview Committee on 25 February 2020)

1. When the Committee next reviews the work of the Violence Reduction Network it is requested that evidence is provided to demonstrate the ownership of the trauma informed approach amongst the senior leadership of schools in the borough.	While the Committee welcomed confirmation that schools in the borough were engaged with the Trauma Informed Approach, it was agreed that further evidence would be needed to provide reassurance that there was ownership of the trauma informed approach amongst the senior leadership of schools in the borough.	Councillor Hamida Ali Place	Accept	Sarah Haywood	N/A	TBC	February 2021
2.							
3. An evaluation framework needs to be developed to allow quantifiable judgement on the success of schemes commissioned by the Violence	The Committee agreed that it was essential to have quantifiable measurements such as an Evaluation Framework in place to allow qualified judgements to be made on the success of schemes commissioned by the Violence Reduction	Councillor Hamida Ali Place	Accept	Sarah Haywood	N/A	TBC	February 2021

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Reduction Network in delivering their intended outcomes.	Network in delivering their intended outcomes.						
4. Options for expanding the Violence Reduction Network's capacity for data analysis should be explored.	The Committee welcomed the move to a more integrated approach to data sharing with partners as this was key to informing the work of the Violence Reduction Network and it was agreed that options for funding the expansion of work on data analysis needed to be explored.	Councillor Hamida Ali Place	Accept	Sarah Haywood	N/A	TBC	February 2021
5. When the Committee next reviews the work of the Violence Reduction Network evidence should be provided to demonstrate how the use of data has informed the work of the Network.	The Committee agreed that the use of data should be ingrained throughout the work of the Violence Reduction Network and looked forward to seeing how this was being implemented when the performance of the Network was next reviewed.	Councillor Hamida Ali Place	Accept	Sarah Haywood	N/A	TBC	February 2021
6. Consideration should be given to what quantifiable data on outcomes can be provided when the Safer Croydon Partnership is next reviewed by the Committee to allow a judgement to be made on the performance of the Partnership.	The Committee acknowledged that the Safer Croydon Partnership seemed to be working well, but agreed that it was difficult to reach any concrete conclusions without quantifiable data being provided to demonstrate that outcomes were being achieved.	Councillor Hamida Ali Place	Accept	Sarah Haywood	N/A	TBC	February 2021

SCRUTINY RECOMMENDATION	CONCLUSIONS	DEPARTMENT AND CABINET MEMBER RESPONDING	ACCEPT/ REJECT RECOMMENDATIONS (inc. reasons for rejection)	IDENTIFIED OFFICER	ANY FINANCIAL IMPLICATIONS	TIMETABLE FOR IMPLEMENTATION OF RECOMMENDATIONS IF ACCEPTED (ie Action Plan)	DATE OF MEETING TO REPORT BACK
Report: Croydon Council's Emergency Preparedness (Considered by the Health & Social Care Sub-Committee on 10 March 2020)							
1. Ensures Croydon Council continues to provide information and support to the people of Croydon during these difficult times.	It was agreed that Croydon public services were as well prepared as they could be considering the current circumstances, and that there was capacity within the system to ramp up the response should infection rates increase.	Councillor Tony Newman Health, Wellbeing and Adults	Accept - The Cabinet welcomes the recommendation of the Health & Social Care Sub-Committee concerning information and support to the people of Croydon. The Sub-Committee will appreciate that the Covid-19 situation has rapidly changed since their meeting on 10 March, but they can be assured that their concerns were taken on board as part of the response to the crisis.	Rachel Flowers	N/A	N/A	26 May 2020
2. Communication from Croydon Council, especially the use of social media, be ramped up to provide reassurance to the public on Croydon ability to cope with a large-scale outbreak of Covid-19, and should resource this increased level of communication accordingly.	The Sub-Committee recognised that as a trusted provider of information, the Council and local health services played a key role in keeping people informed and supported the key messages that were relayed during the meeting. However it was recognised that people also wanted reassurance that Croydon could cope should there be a large scale outbreak and would encourage more information to be provided on Croydon's ability to ramp up its response.	Councillor Tony Newman Health, Wellbeing and Adults	Accept - The Cabinet welcomes the recommendation of the Health & Social Care Sub-Committee concerning communication from Croydon Council. The Sub-Committee will appreciate that the Covid-19 situation has rapidly changed since their meeting on 10 March, but they can be assured that their concerns were taken on board as part of the response to the crisis.	Rachel Flowers	N/A	N/A	26 May 2020

SCRUTINY RECOMMENDATION	CONCLUSIONS	DEPARTMENT AND CABINET MEMBER RESPONDING	ACCEPT/ REJECT RECOMMENDATIONS (inc. reasons for rejection)	IDENTIFIED OFFICER	ANY FINANCIAL IMPLICATIONS	TIMETABLE FOR IMPLEMENTATION OF RECOMMENDATIONS IF ACCEPTED (ie Action Plan)	DATE OF MEETING TO REPORT BACK
<p>3. That there should be regular updates to all members on how the Council and local health services are coping, including when services are being change or stopped.</p>	<p>The Sub-Committee would like to request that the dashboard providing information on Covid-19 and any other appropriate updates are be shared with Members to keep them informed of the situation as it developed.</p>	<p>Councillor Tony Newman Health, Wellbeing and Adults</p>	<p>Accept - The Cabinet welcomes the recommendation of the Health & Social Care Sub-Committee concerning regular updates to all members on how the Council and local health services are coping. The Sub-Committee will appreciate that the Covid-19 situation has rapidly changed since their meeting on 10 March, but they can be assured that their concerns were taken on board as part of the response to the crisis.</p>	<p>Rachel Flowers</p>	<p>N/A</p>	<p>N/A</p>	<p>26 May 2020</p>
<p>4. The Council should not hesitate to request additional funding from Central Government to ensure that essential services are maintained, and vulnerable residents are protected.</p>	<p>The Sub-Committee considered there to be a risk to Croydon's public sector finances should the Government not fund the additional costs required.</p>	<p>Councillor Tony Newman Health, Wellbeing and Adults</p>	<p>Accept - The Cabinet welcomes the recommendation of the Health & Social Care Sub-Committee concerning requests for additional funding from Central Government to ensure that essential services are maintained. The Sub-Committee will appreciate that the Covid-19 situation has rapidly changed since their meeting on 10 March, but they can be assured that their concerns were taken on board as part of the response to the crisis.</p>	<p>Rachel Flowers</p>	<p>N/A</p>	<p>N/A</p>	<p>26 May 2020</p>

SCRUTINY RECOMMENDATION	CONCLUSIONS	DEPARTMENT AND CABINET MEMBER RESPONDING	ACCEPT/ REJECT RECOMMENDATIONS (inc. reasons for rejection)	IDENTIFIED OFFICER	ANY FINANCIAL IMPLICATIONS	TIMETABLE FOR IMPLEMENTATION OF RECOMMENDATIONS IF ACCEPTED (ie Action Plan)	DATE OF MEETING TO REPORT BACK
5. Consider how democratic accountability continues through this time.	Given the rapidly developing situation, the Sub-Committee agreed that an update on the situation would be needed at their next meeting on 21 April 2020.	Councillor Tony Newman Health, Wellbeing and Adults	Accept - The Cabinet welcomes the recommendation of the Health & Social Care Sub-Committee concerning how democratic accountability continues through this time. The Sub-Committee will appreciate that the Covid-19 situation has rapidly changed since their meeting on 10 March, but they can be assured that their concerns were taken on board as part of the response to the crisis.	Rachel Flowers	N/A	N/A	26 May 2020
6. Evidence be provided to the Sub-Committee to give reassurance that public and private care providers are maintaining standards of care and cleanliness that reduces exposure to infection, to minimise the potential risk of an outbreak amongst vulnerable residents in the borough, especially in Croydon Care Homes and those receiving domiciliary care.	The Sub-Committee agreed that further re-assurance would be sought about those who received support from private care providers or lived in private care homes that recommended standards of care and cleanliness were being maintained over the course of the outbreak for these vulnerable group of residents.	Councillor Jane Avis Health, Wellbeing and Adults	Accept - The Cabinet welcomes the recommendation of the Health & Social Care Sub-Committee concerning reassurance that public and private care providers are maintaining standards of care and cleanliness. The Sub-Committee will appreciate that the Covid-19 situation has rapidly changed since their meeting on 10 March, but they can be assured that their concerns were taken on board as part of the response to the crisis.	Guy Van Dichele	N/A	N/A	26 May 2020

REPORT TO:	CABINET 20th July 2020
SUBJECT:	INVESTING IN OUR BOROUGH
LEAD OFFICER:	SARAH WARMAN, DIRECTOR OF COMMISSIONING & PROCUREMENT JACQUELINE HARRIS-BAKER, EXECUTIVE DIRECTOR RESOURCES
CABINET MEMBER:	COUNCILLOR SIMON HALL CABINET MEMBER FOR FINANCE AND RESOURCES
WARDS:	ALL
<p>CORPORATE PRIORITY/POLICY CONTEXT/AMBITIOUS FOR CROYDON: Effective outcome based commissioning and prudent financial transactions contribute to all corporate priorities.</p> <p>The Council's Commissioning Framework (2019 – 2023) sets out the approach to commissioning and procurement and puts delivery of outcomes at the heart of the decision making process. As the Council develops more diverse service delivery models, it is important to ensure that our contractual and partnership relationships are not only aligned to our corporate priorities but also represent value for money for citizens and taxpayers, contributing to the growth agenda for Croydon.</p>	
<p>FINANCIAL SUMMARY: There are no direct costs arising from this report.</p>	
<p>KEY DECISION REFERENCE NO.:</p> <p>There are key decisions mentioned in this report, but approval of the Recommendations would not constitute a key decision.</p>	

The Leader of the Council has delegated to the Cabinet the power to make the decisions set out in the recommendations below

1 RECOMMENDATIONS

1.1. The Cabinet is requested to approve:

1.1.1. The Cabinet recommends to the Leader of the Council that prior to the next meeting of Cabinet in September, in respect of any contracts and property acquisitions and disposals valued over £500k and that have not previously been notified or reported to Cabinet, the nominated Cabinet Member in consultation with the Cabinet Member for Finance and Resources or, where the nominated member is the Cabinet Member for Finance and Resources in consultation with the Leader, be authorised to agree the award of such contracts. Note that any awards made under this delegation will be notified in the standard contracts report to the next meeting of Cabinet.

1.2. The Cabinet is requested to note:

1.2.1. The list of decisions pursuant to Part 5 A Article 1.7 (Urgency Decisions) of the Council's Constitution, made as relevant body by the nominated Cabinet Member in consultation with the Cabinet Member for Finance and Resources or, where the nominated member is the Cabinet Member for Finance and Resources in consultation with the Leader, as set out in section 4.1.

1.2.1.1. The contracts between £500,000 and £5,000,000 anticipated to be awarded by the nominated Cabinet Member, in consultation with the nominated Cabinet Member for Finance and Resources or, where the nominated Cabinet Member is the Cabinet Member for Finance and Resources, in consultation with the Leader, as set out in section 4.1.1.

1.2.1.2. The list of delegated award decisions made by the Director of Commissioning and Procurement, between 18/05/2020 – 17/06/2020, as set out in section 4.1.2.

1.2.2. Delegated award decisions for contracts over £500,000 in value made by the nominated Cabinet Member in consultation with the Cabinet Member for Finance and Resources or, where the nominated Cabinet Member is the Cabinet Member for Finance and Resources in consultation with the Leader since the last meeting of Cabinet, as set out in Section 4.2.1.

2 EXECUTIVE SUMMARY

2.1 This is a standard report which is presented to the Cabinet, for information, at every scheduled Cabinet meeting to update Members on:

- Pursuant to Part 5 A Article 1.7 (Urgency Decisions) of the Council's Constitution, the list of decisions made by the nominated Cabinet Member in consultation with the Cabinet Member for Finance and Resources or, where the nominated member is the Cabinet Member for Finance and Resources in consultation with the Leader:
 - Contracts between £500,000 and £5,000,000 anticipated to be awarded under delegated authority from the Leader by the nominated Cabinet Member, in consultation with the Cabinet Member for Finance and Resources and with the Leader in certain circumstances, before the next meeting of Cabinet;
 - Delegated contract award decisions made by the Director of Commissioning and Procurement 18/05/2020 – 17/06/2020;
- Delegated contract award decisions under delegated authority from the Leader by the Cabinet Member for Families, Health & Social Care in consultation with the Cabinet Member for Finance &

Resources related to the Adult and Young People Social Care Dynamic Purchasing Systems (DPS);

- Property lettings, acquisitions and disposals agreed by the Cabinet Member for Finance and Resources in consultation with the Leader since the last meeting of Cabinet;
[As at the date of this report there are none].
- Delegated decisions made by the Cabinet Member for Homes & Gateway Services, in consultation with the Cabinet Member for Finance & Resources, under delegated authority from the Leader, to approve the purchase of properties in relation to the HRA;
[As at the date of this report there are none].
- Contract awards and strategies to be agreed by the Cabinet at this meeting which are the subject of a separate agenda item;
[As at the date of this report there are none].
- Delegated contract award decisions under delegated authority from the Leader by the Cabinet Member for Environment Transport & Regeneration in consultation with the Cabinet Member for Finance and Resources related to the New Addington Wellbeing Centre project for the Lead Architect and Multi-disciplinary Professional Services;
[As at the date of this report there are none].
- Delegated contract award decisions under delegated authority from the Leader by the Cabinet Member for Children, Young People and Learning in consultation with the Cabinet Member for Finance and Resources related to the Addington Valley Academy SEN School for the construction of works.
[As at the date of this report there are none].
- Partnership arrangements to be agreed by the Cabinet at this meeting which are the subject of a separate agenda item.
[As at the date of this report there are none].

3 DETAIL

- 3.1 Section 4.1.1 of this report lists COVID contract awards, variations, and extensions decisions to be made under urgency provisions due to COVID related impacts between £500,000 to £5,000,000 by the nominated Cabinet Member in consultation with the Cabinet Member for Finance and Resources or, where the nominated Cabinet Member is the Cabinet Member for Finance and Resources, in consultation with the Leader.
- 3.2 Section 4.1.2 of this report lists COVID contract awards, variations, and extensions decisions made by the Director of Commissioning and Procurement for contract awards (Regs. 19, 28.4 a & b) between

£100,000 & £500,000 and contract extension(s) previously approved as part of the original contract award recommendation (Reg. 28.4 d) and contract variations (Reg.30).

- 3.3 Section 4.2.1 of this report lists the delegated decisions made by the Nominated Cabinet Member in consultation with the Cabinet Member for Finance and Resources or, where the nominated Cabinet Member is the Cabinet Member for Finance and Resources in consultation with the Leader since the last meeting of Cabinet.
- 3.4 The Council's Procurement Strategy and Tender & Contracts Regulations are accessible under the Freedom of Information Act 2000 as part of the Council's Publication Scheme. Information requested under that Act about a specific procurement exercise or contract held internally or supplied by external organisations, will be accessible subject to legal advice as to its commercial confidentiality, or other applicable exemption, and whether or not it is in the public interest to do so.

4 FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

4.1 Urgency Decisions made under Part 5 A Article 1.7 of the Council's Constitution

4.1.1 COVID related reports for contract awards, variations, and extensions decisions to be made between £500,000 to £5,000,000 by the nominated Cabinet Member in consultation with the Cabinet Member for Finance and Resources or, where the nominated Cabinet Member is the Cabinet Member for Finance and Resources, in consultation with the Leader.

Contract Title	Contract Revenue Budget	Contract Capital Budget	Dept/Cabinet Member
PPE Procurement for COVID-19	£722,282 (Contract length 6 months)		Finance and Resources / Cllr Hall

4.1.2 COVID related Revenue and Capital consequences of delegated decisions made by the Director of Commissioning and Procurement for contract awards (Regs. 19, 28.4 a & b) between £100,000 & £500,000 and contract extension(s) previously approved as part of the original contract award recommendation (Reg. 28.4 d) and contract variations (Reg.30).

Contract Title	Contract Revenue Budget	Contract Capital Budget	Dept/Cabinet Member
Emergency Accommodation and Meals - Croydon Park Hotel	£310,432 (Contract length 8 weeks)		Homes & Gateway Services / Cllr Butler
Emergency Accommodation and Meals - Lansdowne Hotel	£212,450 (Contract length 12 weeks)		Homes & Gateway Services / Cllr Butler

CONTRACT VARIATIONS & EXTENSIONS					
Contract Title	Value of Contract to Date	Value of Extension Term	Total Revenue value including extension term	Contract Capital Budget	Dept/Cabinet Member
Streets IT system contract extension	£271,000	£102,000 (12 months extension)	£373,000		Finance and Resources / Cllr Hall
Cypress Junior School – Variation to Design Services and PM & QS Award	£98,740	£89,492	£188,232		Children, Young People & Learning / Cllr Flemming

4.2 Contract Awards

4.2.1 Delegated award decisions for contracts over £500,000 in value made by the nominated Cabinet Member in consultation with the Cabinet Member for Finance and Resources or, where the nominated Cabinet Member is the Cabinet Member for Finance and Resources in consultation with the Leader since the last meeting of Cabinet.

Contract Title	Contract Revenue Budget	Contract Capital Budget	Dept/Cabinet Member
Establishment of the Adult and Young People Social Care DPS (DPS 1)	£226,050,000 (Contract length 5 years + 5 years)		Families, Health, and Social Care / Cllr Campbell

Approved by: Ian Geary, Head of Finance - Resources on behalf of Lisa Taylor, Director of Finance, Investment and Risk and Section 151 Officer.

5 LEGAL CONSIDERATIONS

- 5.1 The Director of Law and Governance comments that the information contained within this report is required to be reported to Members in accordance with the Council's Tenders and Contracts Regulations and the council's Financial Regulations in relation to the acquisition or disposal of assets.

Approved by: Sean Murphy, Director of Law and Governance and Monitoring Officer.

6 HUMAN RESOURCES IMPACT

- 6.1 There are no immediate HR issues that arise from the strategic recommendations in this report for LBC staff. Any specific contracts that arise as a result of this report should have their HR implications independently assessed by a senior HR professional.

Approved by: Sue Moorman, Director of Human Resources

7 EQUALITY IMPACT

- 7.1 An Equality Analysis process has been used to assess the actual or likely impact of the decisions related to contracts mentioned in this report and mitigating actions have been defined where appropriate.
- 7.2 The equality analysis for the contracts mentioned in this report will enable the Council to ensure that it meets the statutory obligation in the exercise of its functions to address the Public Sector equality duty (PSED). This requires public bodies to ensure due regard to the need to advance equality of opportunity; foster good relations between people who share a "protected characteristic" and those who do not and take action to eliminate the potential of discrimination in the provision of services.
- 7.3 Any issues identified through the equality analysis will be given full consideration and agreed mitigating actions will be delivered through the standard contract delivery and reporting mechanisms.

8 ENVIRONMENTAL IMPACT

- 8.1 Any issues emerging in reports to the relevant Cabinet member will require these considerations to be included as part of the standard reporting requirements, and will not proceed without full consideration of any issues identified.

9 CRIME AND DISORDER REDUCTION IMPACT

- 9.1 Any issues emerging in reports to the relevant Cabinet Member will require these considerations to be included as part of the standard reporting requirements, and will not proceed without full consideration of any issues identified.

10 DATA PROTECTION IMPLICATIONS

- 10.1 Will the subject of the report involve the processing of 'personal data'?

NO

- 10.2 Has a Data Protection Impact Assessment (DPIA) been completed?

NO

Data Protection Impact Assessments has been used to assess the actual or likely impact of the decisions related to contracts mentioned in this report and mitigating actions have been defined where appropriate.

Approved by: Sarah Warman, Director of Commissioning & Procurement

CONTACT OFFICER:

Name:	Bianca Byrne
Post title:	Head of Commissioning and Procurement (Corporate)
Telephone no:	63138

BACKGROUND DOCUMENTS:

The following public background reports are not printed with this agenda, but are available as background documents on the Croydon Council website agenda which can be found via this link [Cabinet agendas](#)

- Establishment of the Adult and Young People Social Care DPS (DPS 1)
- PPE Procurement for COVID-19

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