

Council

Meeting held on Monday, 8 February 2021 at 6.30 pm. This meeting was held remotely

MINUTES

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

Apologies: Councillor Steve O'Connell and Jason Perry

PART A

8/21 **Disclosure of Interests**

There were none.

9/21 **Urgent Business (if any)**

There was one item of urgent business; a report in relation to the Appointments Committee. The minute of this item can be found below.

10/21 **Appointments Committee**

Madam Mayor informed Council that she had agreed that one item of Urgent Business should be taken at the meeting relating to the appointment of Chair of the Appointments Committee and minor amendments to the Constitution relating to that Committee. Members were advised that the report had been circulated and published prior to the meeting and that both Groups had received briefings on the report.

Madam Mayor invited Councillor Young to move the recommendations and introduce the report.

Councillor Young noted that in November 2020 the Council received the Report in the Public Interest from the council's external auditors, Grant Thornton. At the same time the council had been preparing its submission to the Ministry of Housing, Communities & Local Government for a capitalisation direction and the Section 151 Officer (Lisa Taylor, Director of Finance, Investment & Risk) had issued a Section 114 Notice. It was stated by Councillor Young that as part of the Administration's commitment to understand and rectify the very serious position it was in it had commissioned an independent investigation. Furthermore, it was noted that there was an ongoing staff restructure which may require meetings of the Appointments Committee.

In light of the rapid and important changes which were taking place Councillor Young informed Members that he had requested that officers reviewed the council's preparedness in case action was required. The review, it was stressed, was to ensure there were adequate processes in place for any eventuality and formed part of the Administration's commitment to strengthen governance. The review, it was noted, had identified three urgent recommendations which were outlined within the report.

The Leader, Councillor Hamida Ali, seconded the recommendations.

RESOLVED:

1. Following the change of Leader of the Council, suspend paragraph 2.4 of Part 4F of the Constitution in order to appoint a new Chair of the Appointments Committee;
2. Appoint Councillor Hamida Ali as the Chair of the Appointments Committee for the remainder of the 2020/21 Municipal Year; and
3. Agree to amend Part 3 of the Constitution (Responsibility for Functions) and Part 4J (Staff Employment Procedure Rules) as detailed in paragraph 5 of the report.

11/21

Matter for Consideration by Council - Proposal for a change in Governance Referendum

The Mayor informed Council that in accordance with the Local Government Act 2000 (as amended) the Council was required to hold a meeting to consider and resolve to hold a referendum before a change to governance arrangements could take place. The meeting was being asked to consider and resolve on whether to hold a referendum on Thursday 7 October 2021 or on a revised date should the GLA election be postponed to a date within 28 days of the date proposed by the council.

Councillor Hamida Ali proposed the recommendations within the report and stated the Administration welcomed the debate on the best system of governance for the governance and noted that residents had requested that this change be facilitated. The recommendations within the report included

holding a referendum on 7 October 2021 which gave residents the chance to decide how the Council was governed; specifically whether control of the council was determined by the largest political group or by an individual determined by a popular vote.

Councillor Ali stated that it was both the responsible and common sense approach to hold the referendum in October 2021 as the impact of the pandemic and restrictions continued and it was imperative the council resolved its immediate financial pressures.

It was noted by Councillor Ali that during the previous month, the High Court had upheld the London Borough of Newham's decision to declare the petition it had received from local residents to hold a governance referendum invalid due to the suspension of all elections until 5 May 2021. To that end, Councillor Ali stated that the judgement suggested that Croydon Council was also right to declare the petition it had received invalid. Whilst it was recognised that the Government had introduced new regulations which came into effect the following days to provide councils with the opportunity to receive and verify petitions despite the suspension of election activity; the regulations only gave councils until the end of the week to verify thousands of signatures to hold a referendum in May 2021.

Councillor Ali stated the new Administration had already taken the view that it was right to accept the premise of the request for a referendum from some residents and to facilitate that debate. The recommendations, it was stated, removed the uncertainty of verifying a petition and enabled all involved to look toward to the referendum.

Councillor Ali highlighted the Administrations priorities in relation to the referendum and that whilst the proposal for a referendum had not originated from the Administration, it was stressed that the Administration welcomed the debate and the appetite shown by residents to engage in the governance of the council. Furthermore, whilst the pandemic continued there remained uncertainty as to whether elections scheduled to take place in May 2021 would take place due to the unpredictability of the virus. Thirdly, the Administration's overwhelming focus, it was stated, was on stabilising the council's financial position and a decision from MHCLG remained outstanding. With such challenges, Councillor Ali suggested that both residents and government would agree that a balanced budget should be secured in the first instance before facilitating the funding the debate.

It was noted by Councillor Ali that Opposition councillors had voted in support of The Mayor informed Council that in accordance with the Local Government Act 2000 (as amended) the Council was required to hold a meeting to consider and resolve to hold a referendum before a change to governance arrangements took place. The meeting was being asked to consider and resolve on whether to hold a referendum on Thursday 7 October 2021 or on a revised date should the GLA election be postponed to a date within 28 days of the date proposed by the council.

Councillor Ali concluded by noting that the national lockdown reduced the capacity to campaign on the merit of the different governance models. Such a debate required proactive engagement with residents to ensure informed decisions were made when going to the polls.

Councillor Hamida Ali proposed the recommendations.

Councillor Wood seconded the recommendations and reserved his right to speak.

Councillor Jason Cummings stated that it was in his opinion standard form that the Labour Administration sought to subvert the will of Croydon residents by holding a meeting one day before the council would have been forced to validate the largest petition received from Croydon residents.

It was stated that Labour had devastated Croydon, both its reputation and finances and were unable to see that they were at fault. Councillor Cummings stated the Administration had not taken the pay cut that the Conservatives had despite them not having set up Brick by Brick or bought hotels or having, in his opinion, misled both councillors and residents as to the true financial position of the council. The Administration were suggested to be showing incompetence and arrogance, especially in not listening to local opinion and the desire to hold a referendum in May 2021.

Councillor Cummings stated that he was immensely proud of what Croydon residents had done by acting to try and create positive change. They had engaged with the democratic process, mobilised cross-party support and, in Councillor Cummings' opinion, had submitted a valid petition which was both an indictment of the current Administration and a massive boost for local representative democracy. Councillor Cummings paid tribute to their efforts and declared that the Conservative Party in Croydon were 100% in support of the residents' campaign to hold a referendum in May. It was stated that a further delay of six months was not welcome or necessary as they were clear of their position in the campaign.

It was noted that the meeting was taking place a few days after the MHCLG Rapid Review had been published which, Councillor Cummings stated, had revealed how the council had previously been run. In light of the report, Councillor Cummings questioned why the Leader continued to have those Members he felt to be responsible in the Majority Group and suggested that this was due to her position being reliant on the votes of those who had been suggested to be at fault. As such, Councillor Cummings stated that the Leader was making the case for a change in governance herself.

Councillor Cummings concluded by stated that the Administration supported only themselves at the expense of others. He stated that they had created the worst financial situation faced by any council in history and stated that the situation had been reached due to, in his opinion, bullying and deceit. As such, he felt that the Administration needed to go and a Mayoral election was

needed in May 2021 as the people of Croydon had enough and further delay was not welcomed by residents.

Councillor Jason Cummings opposed the recommendations.

Councillor Oviri stated the Opposition had warned against racking up the council's debts to £1.5 billion which had led to the council's financial situation; the fallout had been that street cleaners and social services had lost their jobs and services for the most vulnerable residents had been cut. This was, in her opinion, evidence that the Labour Administration was not working and was not listening to councillors or residents.

It was stated that the Administration was not listening to the residents of Purley in particular who had, in Councillor Oviri's opinion, been besieged by planning applications with the area on course to provide over 30% of the boroughs required new homes. Councillor Oviri further stated that the Community Infrastructure Levy from the developers had not been invested in the local area and residents had now had enough and wanted change.

Councillor Oviri suggested that the approach to planning in the south of the borough was evidence of the Administration's approach and, in her opinion, sought to not only bankrupt the council but also sought to bankrupt democracy. This was the reason that Croydon residents wanted change, it was stated, and the change they wanted was the ability to democratically vote for an individual who would be held accountable for their decisions.

It was noted by Councillor Oviri that the Secretary of Croydon South supported the campaign for an Elected Mayor as being the best option to ensure the borough had clear leadership. Councillor Oviri stated that she supported the campaign but she questioned what the Administration's stand point was.

Councillor Oviri concluded that over 17,000 residents had signed the petition and those residents did not welcome further delay; as such Councillor Oviri stated the Council should vote to hold the referendum in May 2021 to ensure it was conducted at the minimum cost to the council.

Councillor Oviri opposed the recommendations.

Councillor Fitzsimons stated that he welcomed the recommendation to hold a referendum on the council's governance model in autumn 2021. It would be an opportunity to give residents a say on the governance model which would best suit the area and one which was hoped to be an improvement on the strong leader model which had been adopted by the Conservative Administration in 2010. Councillor Fitzsimons felt that the strong leader model had been the root cause of all the governance issues which had faced the council in the last decade; from the selling of the Riesco Collection without the right for call-in, attempt to backdate Special Responsibility Allowances and more recently the mismanagement of Brick by Brick and the financial challenges facing the council.

It was recognised by Councillor Fitzsimons that residents had rightly been appalled by the outcome of poor decision making during the previous ten years and demanded that councillors did better. It was Councillor Fitzsimons' opinion that rushing to a referendum in May 2021 whilst the pandemic remained a major issue was wrong. Councillor Fitzsimons stated that having a referendum in the autumn would enable meaningful conversation, which was not solely focussed on planning, to take place as to the best governance model for the borough

Councillor Fitzsimons stated that it was clear that the strong leader model had failed residents but he felt that it was a shame that it was not possible, under legislation, to have a third option on the referendum ballot paper for a return to the committee system. He felt that both models; elected mayor and strong leader were flawed but declared that he would support the move to the governance model which avoided repeating the mistakes of the previous decade, which improved the culture of decision making in the council and had strong access to information rights.

Councillor Fitzsimons stated that he hoped by the summer that the borough would be over the worst of the pandemic and there would be opportunities to debate the merits of the two options put forward in the referendum ahead of an autumn vote to ensure the future for all Croydon residents.

Councillor Fitzsimons supported the recommendations

Councillor Hale noted that her and for many councillors being elected to the council had always been a huge privilege and an opportunity to make a positive change to Croydon to ensure it was a great place to grow up in, work and live. In light of this, she stated the previous few years had been incredibly frustrating as the Administration had, she felt, ignored common sense and created a huge financial overspend.

She stated that she was furious that a Cabinet on just ten elected Members had brought the borough to its knees and accused members of bullying, being arrogant and making nonsensical decisions; behaviour which had no place in Croydon. Councillor Hale stressed that those responsible would be made responsible in time and that they were no longer able to blame everyone else for the problems facing the council.

Councillor Hale felt that Croydon had so much to offer but opportunities had been squandered with large sums of public money being loaned without accountability. Concerns in regard to whether Brick by Brick had been a financial risk had been disregarded in previous years, however Councillor Hale noted that those concerns had been accurate.

Councillor Hale stated that not just councillors had been ignored by the Administration, but residents also who had looked for options to change the governance of their town. The approach to Planning in the borough was suggested to be a driving factor for the desire for change from residents as

trees had been felled and cherished open spaces had been developed without respecting the views of residents. Councillor Hale noted that thousands of residents had signed a petition, which had been supported by all political parties and resident associations from across the borough, to call for change.

It was stated that the council continued to ignore residents and had tried to block progress towards a referendum on a directly elected mayor and Councillor Hale suggested that it was only due to the Government's intervention that any action was being taken towards a referendum. She stressed that the Opposition did not support further delay and called for the referendum to be held in May 2021 which would not only be the right thing to do but would, she claimed, be the most cost effective option.

Councillor Hale opposed the recommendations.

Councillor Wood noted that two weeks prior to the meeting a Motion was debated by Council on the premise of holding a referendum in October 2021 and expressed surprise that the Opposition had, he felt, changed their mind and no longer supported that option and suggested holding the referendum in May 2021 instead. Councillor Wood quoted John Maynard Keynes; "When the facts change, I change my mind" but questioned what facts had changed to cause the Opposition to no longer support the recommendations as that debate had taken place after the Minister for Local Government intervention in relation to considering petitions during the pandemic.

Councillor Wood noted that the Leader had met with the DEMOC campaign group in October 2020 to discuss their petition and had welcomed the debate on the future governance model of Croydon. As such this meeting, Councillor Wood, stated was part of that commitment to support a debate on governance models. It was recognised that there was a cost in holding the referendum, but Councillor Wood pointed out, that by holding the referendum in October 2021 the council was taking serious the safety considerations of both staff and residents in terms of the risk of spreading covid-19.

It was stressed that the debate of the future governance model of the council was important and warranted maximum consideration and scrutiny. By holding the referendum in October 2021, Councillor Wood, stated those debates could be held safely and campaigning could also take place which was considered to be unlikely for May elections. Furthermore, Councillor Wood expressed concern that by holding a referendum earlier in the year the attention of councillors and officers would be diverted from responding to twin challenges of the council's finances and responding to the pandemic which many residents felt should be the primary focus of the council.

Whilst it was recognised that there were over 17,000 unverified signatures on the petition, Councillor Wood noted that this figure represented 7% of the borough electorate. He welcomed the debate on the governance model but called on the council to do so in a responsible manner when lockdown restrictions were no longer an issue as residents had been vaccinated.

Councillor Wood seconded the recommendations.

A Point of Order was received from Councillor Jason Cummings. It was stated that a number of references had been made to the vote on the Labour Debate Motion at the Council meeting on 25 January 2021. Councillor Cummings stated that the vote at the previous meeting had been in relation to holding the Extraordinary Council Meeting to consider the referendum and was not to agree to the principle of holding the referendum in October 2021. It was stressed that the Opposition had supported the meeting being held but not the proposed date.

Madam Mayor noted the Point of Order from Councillor Jason Cummings.

RESOLVED:

1. That the Council hold a referendum on Thursday 7th October 2021 to allow local electors to decide upon the future governance arrangements of the Council;
2. To note that should the Greater London Authority and London Mayor election ("GLA election") 2021 be further postponed to within 28 days of the above date, the Council will have to combine the referendum in 1.1 with that poll;
3. To agree that the model of governance available for electors to choose from at the referendum will be either;
 - A. The current model of the Executive Leader and Cabinet ("the Leader Model") OR
 - B. The Mayor and Cabinet Model ("the Mayoral Model")
4. To note that a further report be presented at a Council meeting prior to the referendum in order to approve the referendum proposals that must include detailed constitutional changes in the governance arrangements for a Mayoral Model in accordance to the Local Government Act 2000 (LGA 2000) that also requires those proposals to be available for inspection and to be published; and
5. To note the referendum timetable at Appendix 1 of the report.

12/21 **Exclusion of the Press and Public**

This item was not required.

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The meeting ended at 7.10 pm

Signed:

Date: