

**Minutes** of the **Meeting** of the **Cabinet**, held on Wednesday, 22 June 2022 at 6.30 pm in Council Chamber, Town Hall, Katharine Street, Croydon CR0 1NX

**Present:** Executive Mayor Jason Perry (Chair); Deputy (Statutory) Executive Mayor Councillor Lynne Hale and Councillors Jeet Bains, Jason Cummings, Maria Gatland, Yvette Hopley, Ola Kolade, Scott Roche and Andy Stranack.

**Also Present:** Councillors Mike Bonello, Simon Brew, Janet Campbell, Richard Chatterjee, Chris Clark, Mario Creatura, Rowenna Davis, Nina Degrad, Brigitte Graham, Stuart King, Enid Mollyneaux, Tony Pearson, Reshekaron, Stewart and Callton Young OBE.

**Apologies:** There were no apologies for absence received from Members.

## **PART A**

### **24/22 Minutes of Previous Meetings**

**RESOLVED** that the Minutes of the Meetings of Cabinet, held on 24 January 2022, 7 February 2022 and 21 March 2022 be approved as a correct record and signed by the Executive Mayor as an accurate record.

### **25/22 Disclosure of Interests**

There were no disclosures of interests received from Members.

### **26/22 Urgent Business (If any)**

There were no formal items of urgent business, however, at this point in the meeting, the Executive Mayor made the following announcement:

The Executive Mayor advised Members that there had been three stabbings late last evening in Thornton Heath, New Addington and London Road and, additionally, a tragic murder of an 89-year-old resident, also in Thornton Heath.

He said that it had been a difficult couple of days for the Borough and went on to say that the Council had been working closely with the Police throughout last night and today to support police investigations, including the provision of CCTV evidence, where this was available. The Executive Mayor confirmed that there would be additional police patrols within the areas to offer support to local residents and families of the victims. He said that the Council's thoughts were with everyone involved in these incidents and urged anyone who had any information to contact the Police.

## **The Executive Mayor of Croydon's Priorities**

Cabinet considered a report, which summarised the commitments the Executive Mayor of Croydon had made during the recent mayoral election campaign. The report also set out the work carried out so far to assess the implications of each in order to prepare a four-year implementation programme.

It was reported that the Council's strategic objectives and plan would be developed and would detail the Council's actions to deliver the priorities and the outcomes that would be achieved.

It was noted that the plan for 2022-2026 would be presented at a future meeting of the Cabinet.

The Executive Mayor said that he was very pleased to have brought this report forward as a result of the recent election campaign in May and was, essentially, the manifesto that was put forward in the run-up to that election, at which, Croydon residents had voted for change and these priorities were, he said, being brought forward to deliver that change and to rebuild residents' pride in the Borough.

He said the Council would once again make Croydon a borough that listened to its residents and would instil a new culture within the Council both from Members across the Chamber in better working together and, as an organisation, the Council would respect its residents and listen to their needs.

The Executive Mayor highlighted his priorities and invited Cabinet Members to speak on these as they related to their respective portfolios.

The Executive Mayor then invited Councillor King, Leader of the Opposition, to respond.

Councillor King asked how much needed to be saved from current budgets to fund the Executive Mayor's priorities.

In response, the Executive Mayor said that most of what his Administration planned to achieve would be met from within existing budgets, with the exception of Purley Pool, which had been brought forward as an item to a previous meeting of the Council in March 2022, which would be funded from the CIL (Community Infrastructure Levy), which had been voted down that time by the Council but wherever possible would contain costs within existing budgets.

The Executive Mayor, in Cabinet:

**RESOLVED** that:

1. the summary of the Executive Mayor's priorities and manifesto commitments and the work to date to map these against current Council activity, be noted;
2. the Council's strategic objectives and plan, which would be developed to set out how manifesto commitments would be delivered over the next four years and brought back to a future meeting of the Cabinet for agreement, be noted; and
3. any additional costs in 2022/23 of the Council's strategic objectives and plan would be funded from existing budgets, be noted and that future year costs would be built into the reports on the proposed Budget 2023/24 and Medium-Term Financial Strategy to 2026 and the Capital Strategy 2023/26, which were due to be presented to Cabinet and Full Council in early 2023.

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### **Adopting the Residents' Charter**

Cabinet considered a report, which provided an overview of the proposed Residents' Charter, which had been developed by existing residents to improve the Council's relationship with its residents.

The report also included the background to the Residents' Charter, a summary of its content, and a proposal to adopt it.

The Executive Mayor said he was glad that one of his key election pledges was before Cabinet at its first meeting tonight, to adopt the Charter. He said that following the housing scandals over recent years, now meant that the Council had to rebuild trust amongst its residents and leaseholders and across housing estates within the Borough. He said that the Charter had been written by residents and enshrined the Council's commitment to give residents a say in how their homes were managed and treating the Borough's residents with respect.

The Executive Mayor added that there would be a further report to Cabinet later in the year, that would make it very clear how the Council would deliver this charter for the Borough's residents and leaseholders.

Les Parry, Council tenant from South Norwood, was invited to address Cabinet.

Mr Parry said that, in 2018, he had witnessed the Council approving planning permission to demolish his home and to relocate him. He spoke on the publicity and controversy which surrounded Regina Road and those affected.

Mr Parry said that this was when he and a small number of fellow residents decided that they would no longer accept being told what was best for them anymore, nor tolerate any decisions being made without residents. He said they decided to write a charter and it had been presented to Council and the management at that time to take away and embark on discussions. He said that, from that point to the current day, nothing at all had happened.

Mr Parry acknowledged the Mayor's pledge and said that residents did not merely want an improved service but, rather, an outstanding service since it was the residents' money that was paying for the services. He welcomed the continued consultation with residents, something which, he said, had never occurred before.

The Executive Mayor thanked Mr Parry and his colleagues for writing the Charter and looked forward to working with him to deliver it. He then invited any comment from the Opposition Group.

Councillor Chrishni Reshekaron (Shadow Cabinet Member for Homes) also thanked Mr Parry and apologised for what he and fellow residents had gone through in the past. She said that the Labour Group welcomed the adoption of a Residents' Charter and realised how important it was for Croydon's residents to be able to hold the Council to account when it came to its housing services. However, she said there was no evidence to suggest when the Charter would become operational, which was concerning and unfair on residents and asked the Executive Mayor when it was likely to be implemented.

In response, Executive Mayor Perry said that the Council would go out and consult on the Charter to make sure it worked for all of the Borough's residents and leaseholders. The findings would then come back to ensure the Council was delivering against the Charter in March 2023 and not delivering the Charter in 2023.

The Executive Mayor, in Cabinet:

**RESOLVED** that:

1. the adoption of the draft Residents' Charter, be agreed;
2. the proposed process set out in the report for consulting all residents on the Residents' Charter, be agreed;
3. the provision to Cabinet of an action plan detailing the development and implementation of the Residents' Charter in Autumn 2022, be agreed; and
4. a progress update on the Residents' Charter be presented to Cabinet in March 2023.

## **Re-procurement of Responsive Repairs Contract**

Cabinet considered a report in respect of the re-procurement of the Council's Responsive Repair Contract, which would allow the Council, and residents, to reshape the responsive repairs service and to appoint new contractors to ensure housing repairs were carried out effectively and in a timely manner. It was reported that the procurement would help ensure that the new contract offered a good quality service and good value for money.

The Executive Mayor said that during the election he had promised to improve the Council's housing repairs performance and that ACCESS had given early notice that it wished to exit the current contract. He said there was an 18 months' notice period, which allowed the Council time to procure a new provider and to demand high standards, quality and customer service within that new procurement.

The Executive Mayor invited Mr Martin Wheatley, Chair of the Housing Improvement Board (HIB) to address Cabinet.

Mr Wheatley said that the timetable had not allowed the HIB to take a formal view, however, as Chair of the HIB, he did support the recommendations in the report, but he did offer a few comments and concerns, which he hoped could be taken account of in taking the work forward. He said he could not emphasise enough how risky managing this re-procurement, alongside bringing the contact centre in-house, was and that it could get worse. Mr Wheatley asked if more work could be provided in areas such as analysis of risk. He said the HIB supported the commercial model so long as an appropriate audit regime was in place. He recognised tenant involvement and stressed that that this needed to be maintained and looked forward to seeing this reflected in the governance arrangements. He suggested that contract staff be embedded in the in-house contact centre to assist with diagnosis and prioritisation but, more generally, to develop a sense of partnership between the Council and the three contractors to discuss any emerging risks collaboratively. In conclusion, he said that the Board was pleased to see the emphasis being placed upon social value, most of all opportunities for employment and apprenticeships for tenants and residents, with a strong emphasis on diversity so that the ethnicity of the Borough was recognised.

The Executive Mayor said that the Council's Scrutiny and Overview Committee had carried out pre-decision scrutiny of this matter and invited the Committee Chair, Councillor Davis to address Cabinet.

Councillor Davis said that she commended the Executive Mayor's public commitment to strengthening scrutiny, which, she said, was central to the Council's rejuvenation. She said good scrutiny should not just throw out criticisms but should seek positive alternatives and should be about what happened outside the Chamber as well as inside the Chamber. She said

she hoped that scrutiny would become a fearless and critical friend in the Executive Mayor's mission to restore the pride within the Borough.

Councillor Davis said that the Council had a unique opportunity to change the lives of tenants who were suffering from a service, which was frustrating, at best, and dangerous at worst.

Councillor Davis laid out the process undertaken by the Scrutiny and Overview Committee in coming to its recommendations. She said that, firstly, three visits had taken place at Regina Road in the north, Cedar and Beech House in New Addington and Cromwell House in the south. Then, she said, an online community engagement meeting had been held with over 60 vulnerable tenants, the findings from which were detailed in Appendix A to the report.

Councillor Davis said that, alongside this community engagement meeting, the Committee had interviewed a number of people about best practice in this field. Overall, she said, both residents and committee members felt the Council had done a competent and professional job of investigating its preferred routes. She said it was also felt that nothing had been built into these plans that guaranteed a better service for residents so the trust that things would improve, was still not there.

Councillor Davis said that even if this particular route went ahead, repairs would still be delivered by the current ACCESS employees who would be transferred over to the new contractor, via TUPE; that housing staff would remain the same; contract management would not automatically be transformed, and that budget and culture challenges would still exist.

Councillor Davis said that the question pushed by the Committee had been how or why this service would be different and hoped that the Committee's recommendations would answer that question. For clarity, she said, these had been split into four areas: contract options; tenant services; risk and social value.

Councillor Davis said that, in relation to contract options, residents and committee members liked the idea of bringing the contract centre in-house. However, she said, the Committee believed that enforcing more or all of the housing repairs service had not been investigated and the Committee had called for this to be done as a matter of urgency.

With regard to tenant services, Councillor Davis said that Contractors needed stronger incentives if the service was to improve and suggested one way to do that was compensation for tenants, paid for by the contractor, after a failure on their behalf. The Committee was advised that that this was unlikely since contractors would merely incorporate this into the cost of the contract. Communication was, she said, another key area for improving tenant services. She said that residents had repeatedly expressed their desire to check the status of their repairs and to choose their appointment times.

She said that as part of the tenant communication, the Committee also recommended that the tenants' handbook be updated and redistributed to ensure tenants knew their rights.

In terms of risks, officers had reassured the Committee that allowances had been made for potential cost increases given the current financial climate and that both Plan B and Plan C was in place if the contracting process took longer than was thought.

The biggest risk in the minds of the Committee was, she said, that the new contract would be operated from the same housing office with the same challenges and had therefore recommended that this contract had to be part of the wider housing improvement journey in housing.

With regard to social value, Councillor Davis said the Committee felt that these contributions needed to be tracked and properly evaluated with key performance indicators to make a difference.

In conclusion, Councillor Davis said that Scrutiny was determined to prioritise this work on housing, and it was essential that the Council continued to empower residents in this process.

The Executive Mayor thanked Councillor Davis for her work, and that of her committee, on this issue and recognised the urgency with which, the Committee had considered the matter and the level of detail it had gone into.

The Executive Mayor said that he had read the Committee's 13 recommendations very carefully some of which were underway and others, he said, were more than acceptable. He said there was clearly no timeframe to deal with all 13 at this meeting but said he would bring back a more detailed response to a future meeting of the Cabinet in order that these recommendations could be dealt with directly. He went on to say that the Committee's recommendations would not change the recommendation currently to progress with the procurement exercise set out in the report but there was an opportunity to present a report to a future meeting of the Cabinet, that responded to the Committee's recommendations and proposing how to incorporate that into the procurement as it progressed.

Councillor Chrishni Reshekaron (Shadow Cabinet Member for Homes) asked if the Executive Mayor could confirm whether a financial compensation package would be considered within the contract when the contractors failed to meet certain minimum standards and, also, whether he would be considering the implementation of technology in the form of a website to allow residents to track the progress of their repairs.

In response, the Executive Mayor said that he could not give an answer to those questions this evening since the 13 recommendations needed to be

worked through and reiterated that a further report would be presented to a future meeting of the Cabinet which would respond to those recommendations and address those questions then.

In response to two questions by Councillor Stuart King, Leader of the Opposition, officers provided clarification as to the meaning of the reference “sub-optimal” within the report and, on the issue of insourcing the contact centre and the need for this proposal to pass an affordability test, confirmed that work was underway and the likelihood of the affordability test not being met was low risk.

Accordingly, the Executive Mayor, in Cabinet:

**RESOLVED** that:

1. the procurement strategy detailed in the report for up to three contractors to deliver the responsive repairs services and optional planned programme with an initial contract term of 6 years and 8 months with a break option at that point and a total maximum contract duration of 10 years and 8 months (plus a 1 year defects liability period) at an anticipated total contract value of £262.9m, be agreed, with the service being split up as follows:
  - a) One cross-borough contract to provide gas related services at an estimated value of £41.9m; and
  - b) Two contracts to provide the remainder of the responsive repairs service, at an estimated value of £221.0m, to include optional planned works of up to £64m, which would only be instructed following further approval in accordance with relevant governance processes.
2. the contact centre be insourced and provided in-house subject to the outcome of an affordability analysis.
3. the Chair of CCB, in consultation with the Deputy Mayor, the Corporate Director for Housing and the Corporate Director of Resources & S.151 officer, be authorised to change procurement process from Competitive Procedure with Negotiation (CPN) to the Restricted Procedure prior to issuing the advert in the event that there were further delays to the timetable and that any such change be reported within the Investing in Our Borough Report to Cabinet.
4. the break option to follow the same governance process as a permitted extension under the Tenders and Contracts Regulations, be noted.
5. the Chair of CCB, in consultation with the Deputy Mayor, the Corporate Director for Housing and the Corporate Director of



Resources & S.151 officer be authorised to make the decision on the appropriate contract value of each of the two responsive repairs areas, once analysis on the optimum area sizing had been completed.

6. That a further report to address the recommendations presented by the Council's Scrutiny and Overview Committee, be presented to a future meeting of the Cabinet.

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### **Distribution of Household Support Fund Grant**

Cabinet considered a report in respect of the distribution of £3,013,689.49 Household Support Fund grant. It was reported that this sum was entirely grant-funded by the Department of Work and Pensions (DWP) and therefore had no direct impact on existing Council budgets.

Executive Mayor Perry said that many of the Borough's residents had been finding it difficult to meet rising living costs and that it was important that the Council supported the Borough's most vulnerable families and residents during this very difficult time. He said he was pleased that the Council could support residents in need, with a grant of just over £3m from the Government's Household Support Fund Grant. He went on to say that the package included £1m to support Croydon's older residents through rising energy costs and £1.3m towards children and young people and their families, who were in need or just about managing.

Executive Mayor Perry said that the Council would be working with its partners to ensure that the HSFG went to those residents who needed it the most.

The Executive Mayor, in Cabinet:

#### **RESOLVED** that:

1. the Department for Work and Pension Household Support Fund (HSF) allocation of £3,013,689.49, as set out in the report, be accepted and that associated budget adjustments be made.
2. the proposal for the distribution and proposed allocation of the HSF, in accordance with Appendix A to the report, be approved (*this covered a local eligibility framework, an approach to enabling access to grant funding that supported households most in need, and the development of a local delivery approach*).
3. the Corporate Director of Housing, following consultation with the Executive Mayor, be authorised to put in place arrangements to effectively govern and administer the fund and awards.

## **Revocation of Croydon Suburban Design Guide Supplementary Planning Document 2 (SPD2)**

Cabinet considered a report, which recommended to Council:

- (i) the revocation of the Croydon Suburban Design Guide Supplementary Planning Document (SPD2), as detailed in Appendix 1 to the report, in accordance with Regulation 15 (2) and (3) of the Town and Country Planning (Local Planning) (England) Regulations 2012; and
- (ii) to agree to produce the residential extensions and alterations chapter of the Croydon Suburban Design Guide Supplementary Planning Document (SPD2) as a supplementary planning document to be reported to Council for adoption after consultation.

It was reported that Executive Mayor Perry had made a clear manifesto pledge in the 2022 pre-election period to revoke the Croydon Suburban Design Guide Supplementary Planning Document (SPD2) and had indicated that this pledge was to ensure new development respected character, was led by design over density and improved the quality of future development.

The Cabinet report set out the basis for the revocation for consideration by Council following Cabinet.

It was noted that the Croydon suburban design guide supplementary planning document (SPD2) had been adopted in April 2019, with an approximate 18-month production time up to adoption, in a particular context that had changed notably up to present day.

It was reported that, at a national level, the National Planning Policy Framework 2021 included a chapter dedicated to 'achieving well-designed places', which had been supplemented by the publication, in 2021, of the National Design Guide and National Model Design Code, that provided the framework for how to produce design guides and codes. It was further reported that this guidance stated that this was to provide and create beautiful and distinctive places with a consistent and high-quality standard of design.

It was noted that, in May 2022, the Government published the Levelling Up and Regeneration Bill, which included a number of proposed legislative changes to the plan-making process, which would need to be given regard to as part of the continued work on the Local Plan Review.

It was further noted that, in regard to the London Plan, SPD2 had been produced in the context of the submitted London Plan (July 2018), which included a proposed housing target for Croydon of 2,949 per annum (2019 -2029) with a clear expectation that a large proportion of this development would be accommodated through small site development.

Post the London Plan Examination process, including the planning inspectors' panel report and Secretary of State approval, the adopted London Plan 2021 included a housing target for the Borough of 2,079 per annum (2019 – 2029) inclusive of a 641 per annum small sites target (2019 – 2029).

It was noted that the London Plan 2021 was proposed to be supplemented by a series of design guidance, most notably, the Greater London Authority had published draft guidance regarding Optimising Site Capacity: A Design Led Approach and Small Sites Design Codes which, once adopted, would be material to the production of the Borough's Local Plan Review.

The Executive Mayor, in Cabinet:

**RESOLVED** that **COUNCIL** be **RECOMMENDED**:

1. to approve the revocation of the Croydon Suburban Design Guide Supplementary Planning Document (SPD2) (Appendix1) in accordance with Regulation 15 (2) and (3) of the Town and Country Planning (Local Planning) (England) Regulations 2012, and
2. to approve the adoption of the residential extensions and alterations chapter of the Croydon suburban design guide supplementary planning document (SPD2) as a supplementary planning document, following consultation.

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### **Financial Performance Report - Period 11 (February 2022)**

Cabinet considered a report, which provided the Council's current forecasts for the end of year position for 2021/22 for the Council's General Fund (GF), Housing Revenue Account (HRA) and the capital programme.

It was reported that the detailed analysis was based on the Month 11 position (which had not been previously published due to the pre-election period), which had been updated to reflect a number of issues which had emerged during the closedown of the 2021/22 accounts, which was currently underway.

The report also formed part of the Council's financial management process of publicly reporting financial performance against its budgets on a monthly basis and that a final outturn position would be reported once the annual closedown of accounts had been completed, prior to the annual accounts for 2021/22 being published. It was noted that the latter would be delayed until the autumn 2022 due to outstanding issues in relation to the external audit of the accounts for 2019/20 and 2020/21.

The Executive Mayor, in Cabinet:

**RESOLVED** to note that:

1. the General Fund was projecting a further favourable movement in the Council's financial position for the end of 2021/22 and that the Council was likely to have a larger underspend for 2021/22 than the £1.907m forecast at the end of Month 11.
2. the Housing Revenue Account (HRA) was projecting a £0.878m (Month 10 £1.281m) overspend for 2021/22 and that if no further mitigations were found to reduce this overspend, the HRA would need to drawdown reserves from HRA balances *(there were sufficient balances to cover this expenditure.)*
3. as indicated in Table 3, the capital spend to date for the General Fund of £55.670m (against a budget of £131.897m) and for the HRA of £13.931m (against a budget of £183.209m), with a projected forecast variance of £11.702m on the General Fund against budget and £115.636m forecast variance against budget for the Housing Revenue Account *(all variances were projected to be slipped into future years, but this would be reviewed once the outturn position had been confirmed).*
4. the above figures were predicated on forecasts from Month 11 to the year end, updated for information that had become available during the annual account's closedown process, and therefore could be subject to change as forecasts were made based on the best available information at this time.

The meeting ended at 7.55 pm