

Council

Meeting held on Wednesday, 1 March 2023 at 6.30 pm in Council Chamber, Town Hall,
Katharine Street, Croydon CR0 1NX

MINUTES

Present: Councillor Alisa Flemming (Chair);
Councillor Sue Bennett (Vice-Chair);
Councillors Kola Agboola, Jade Appleton, Jeet Bains, Leila Ben-Hassel, Adele Benson, Margaret Bird, Claire Bonham, Mike Bonello, Simon Brew, Janet Campbell, Louis Carserides, Richard Chatterjee, Chris Clark, Sherwan Chowdhury, Stuart Collins, Mario Creatura, Jason Cummings, Patsy Cummings, Nina Degrads, Rowenna Davis, Danielle Denton, Samir Dwesar, Lara Fish, Sean Fitzsimons, Clive Fraser, Amy Foster, Simon Fox, Gayle Gander, Maria Gatland, Brigitte Graham, Matt Griffiths, Lynne Hale, Patricia Hay-Justice, Maddie Henson, Christopher Herman, Yvette Hopley, Mohammed Islam, Karen Jewitt, Mark Johnson, Humayun Kabir, Stuart King, Ola Kolade, Joseph Lee, Endri Llabuti, Enid Mollyneaux, Stella Nabukeera, Michael Neal, Tamar Barrett, Eunice O'Dame, Ian Parker, Ria Patel, Tony Pearson, Jason Perry, Ellily Ponnuthurai, Holly Ramsey, Helen Redfern, Chrishni Reshekaron, Scott Roche, Manju Shahul-Hameed, Nikhil Sherine Thampi, Luke Shortland, Appu Srinivasan, Andy Stranack, Stewart, Esther Sutton, Catherine Wilson, Robert Ward and Callton Young

25/21 Minutes of the Previous Meeting

The minutes of the meetings held on 12 and 14 December 2022 were agreed as accurate records.

26/21 Disclosure of Interests

There were none.

27/21 Urgent Business (if any)

There were no items of urgent business.

28/21 Announcements

The Chair of Council announced on behalf of Councillor Richard Chatterjee that an event by The Fairtrade Organisation would be taking place in the Civic Mayor's Reception Area the following week and that all were invited.

The Chair then MOVED that Council standing orders be waived in order that a Borough Petition Debate regarding the proposed increase in Council Tax be held, as it was highly in the public interest. This was SECONDED by Councillor Mario Creatura and, RESOLVED to allow Council to hear the petition debate to reject an increase in Council Tax.

29/21 **The Croydon Debate**

Council heard from residents that Croydon had not been treated fairly by the Government which had permitted the council to increase Council Tax by more than 5% without the need to hold a referendum. Ken Towl, speaking on behalf of the petition, appealed to Conservative members of Council to allow the people of Croydon to keep their money and spend it in the borough, rather than through a rise in tax, for the sake of their political survival.

Mayor Jason Perry thanked the petitioner and recognised the anger caused by the proposal. Mayor Perry explained, however, that without the increase the council would need to make an extra £20m worth of cuts to services, which would be dangerous to the most vulnerable members of the community.

Councillor Christopher Herman, in support of the petition, outlined previous financial decisions made by Conservative group members of Council which had contributed to the need to make cuts now.

Councillor Andy Stewart, speaking on behalf of the Executive, argued that he believed in allowing people to spend their own money and advocated for cutting taxes overall. However, he concluded that the rise in Council Tax was a last resort as there was no other realistic option for returning Croydon to financial stability.

In support of the petition, Councillor Mohammed Islam argued that Central Government was not supporting Local Authorities across the board, and that the Mayor had not listened to residents, nearly 30,000 of whom had signed the petition.

A second member from the petition group described to members how unfair the decision would be on residents who were tired of being unable to afford

the most basic standards of living, holding multiple jobs and still being unable to feed their children or turn on their heating.

The Cabinet Member for Finance, Councillor Jason Cummings, concluded that this rise in tax was a one-off, and that residents should not have to foot the bill for the mistakes of others. He stated that the council was going to take every step possible to ensure that those who were responsible for the financial mismanagement of the council in the past were held to account.

30/21

Review of Council Tax Support Scheme 2023/24

The Mayor, when moving the recommendations sought approval to amend recommendation 2.1.2 so that it read, 'For 2023/24 only, to change the rate at which the income bands are increased annually from the level of CPI 10.1% to the amount Council Tax is increased for that year which could be up to 15% cap. For 2024/25 the scheme will revert to one where the income bands are increased annually by the level of CPI'.

Council agreed that the original recommendation could be amended.

The Chair MOVED to allow Councillors Stuart King and Jason Cummings to speak for two minutes each on the topic, and also to waive Council Procedure Rules 1.2 and 1.3 in order to vote on the recommendations. This was SECONDED by Councillor Mario Creatura and **RESOLVED**:

1. To waive standing orders to vote on recommendation 2.1.1;
2. To vote on recommendations 2.1.2 and 2.1.3 together; and,
3. To vote on recommendation 2.2.

Councillor King stated that although the Labour group continued to support linking the increase in Council Tax bands to the rate of inflation, it could not support the proposed changes as the proposed Council Tax increase would severely disadvantage residents accessing the Support Scheme. Councillor King declare that Labour members had no choice but to abstain from the vote.

RESOLVED, with 68 in favour and 2 abstentions, to:

- 2.1.1 Remove the application of the minimum income floor to households where the claimant or partner are disabled.

RESOLVED, with 33 in favour and 37 abstentions, to:

2.1.2 For 2023/24 only, to Cchange the rate at which the income bands are increased annually from the level of CPI 10.1% to the amount Council Tax is increased for that year which could be up to 15% cap. For 2024/25 the Scheme will revert to one where the income bands are increased annually by the level of CPI.

2.1.3 Introduce non-dependent deductions (NDD) to disabled not working households, except where the non-dependent is in receipt of Employment Support Allowance or Limited Capability to Work, or in receipt of carers allowance for the claimant or partner.

RESOLVED, with 33 in favour and 37 abstentions, to:

2.2 Agree The Councils Council Tax Support Scheme is amended as set out above, from 1 April 2023

31/21 **Croydon Pay Policy Statement 2023/24**

The Chair of the General Purposes Committee, Councillor Amy Foster, MOVED the recommendations as contained in the report. Councillor Jason Cummings SECONDED the motion, and Council:

RESOLVED, unanimously to:

2.1 Approve the annual Pay Policy Statement for the financial year 2023-24, (as recommended by General Purposes Committee on 23 January 2023) and proceed to publish it in accordance with the requirements of section 39 of the Localism Act 2011;

2.2 Note the change to the benchmarking arrangement regarding the appropriate remuneration for the Chief Executive and Head of Paid Service;

2.3 Note the approval process regarding Special Severance Payments and severance packages within the Pay Policy Statement for 2023/2024 and in particular with regard to urgency;

2.4 Agree, as recommended by the General Purposes Committee on 23 January 2023 that paragraph 6 of the General Purposes Committee's terms of reference, as set out in Part 3 of the Council's Constitution - Responsibility of Functions, section 2, sub-section 2.5, be amended as

follows (to include the underlined wording): “6. The function in respect of voting on severance packages of staff above such specified thresholds as may, from time to time, be updated by statutory guidance if the proposals are being made in the context of litigation and the making of the decision is urgent”;

2.5 Note that any review of whether the function of voting on severance packages and Special Severance Payments of £100,000 and above in the context of litigation and where the making of the decision is urgent (in accordance with the amendment to the General Purposes Committee’s terms of reference set out in paragraph 2.5 of this report, above), should move to the Appointments and Disciplinary Committee, will be considered by the Constitution Review Group; and,

2.6 Agree the following consequential change to paragraph 11 of the General Purposes Committee’s terms of reference as underlined: 11. Subject to paragraph 6 any matter reserved to the Council and a nonexecutive function, or a matter reserved to a non-executive committee or subcommittee of the Council which requires, in the Committee’s view or on the recommendation of the Mayor, the Chief Executive or a Corporate Director, action as a matter of urgency.

32/21 **Scheme of Members' Allowances**

The Chair of the General Purposes Committee, Councillor Amy Foster, MOVED the recommendations as contained in the report. This was SECONDED by Councillor Jason Cummings and Council:

RESOLVED, unanimously:

2.1 That no increase is applied to the Member Allowance Scheme for 2022/23;

2.2 That the Members’ Allowances Scheme for 2023/24 as detailed in Appendix 3, being materially the same as the 2022/23 scheme;

2.3 That the Director of Legal Services is authorised to comply with the statutory requirements to publicise the 2023/24 Members’ Allowances Scheme and make all necessary updates to the Constitution; and, to note:

2.4 That the General Purposes Committee will review and bring proposals to Council with regards to the Basic and Special Responsibilities

Allowances and other allowances, such as carer responsibilities, travel, maternity/paternity, and Subsistence, following the publication of the next report of the Independent Remuneration Panel (IRP) on 'The Remuneration of Councillors in London'.

33/21 **Council Tax and Budget Report**

The first fifteen minutes of this item were dedicated to allowing members of Council to ask questions about the Budget and Council Tax setting to the Executive Mayor.

In response to questions the Mayor explained the following:

- That the lack of referendum on the Council Tax setting was necessary due to financial failings of the past political leadership, and that details of the financial support to residents who would struggle would be published in due course;
- That the increase in Council Tax was part of a wider support package from Central Government;
- That the council's upcoming Transformation Programme would deliver savings for residents; and,
- That the Executive was lobbying Central Government for all avenues of support possible.

The next fifteen minutes of the item were dedicated to allowing members of Council to ask questions of the Cabinet Member for Finance, who responded as follows:

- That the decision to increase Council Tax was a collective negative and that the Executive would continue lobbying Central Government for other means of support;
- That the London Borough of Croydon received considerably less funding per capita than inner London councils;
- That it was incumbent on the Appointments and Disciplinary Committee to make a decision on whether there should be a police investigation into the findings of the Penn Report;
- That the Labour group had declined to put forward an amended budget as it would not be possible to make any alternative proposals that would not include the proposed rise in Council Tax; and,
- That the Opening the Books exercise had uncovered two main sources of loss of funds: the £161m capitalisation direction related to historic issues, and the £49m per year interest payments.

There were then ten minutes dedicated to allowing members of Council to ask questions of the Chair of the Scrutiny and Overview Committee, who first gave thanks to officers who supported Scrutiny, and subsequently responded that:

- Half the committee had found the Council Tax rise justifiable but that the other half had asked to investigate a menu of options;
- The options requested had not been provided to the committee, and so alternative budgets could not be formed;
- Scrutiny would continue monitoring the need for and successes of the Hardship Fund that was in place to support those who could not afford the increase, and to ensure that enforcement on any who did struggle to pay was not heavy-handed; and,
- They had found that members and officers had been cooperative, engaging and open throughout the budget-setting process, and that people were being honest about the challenges the council faced.

Members then engaged in a debate on the recommendations. Council heard that:

- It was not fair that residents should pay more to receive a reduction in services;
- Residents had lost their right to have their say about the Council Tax rise and that the impact would continue for years to come;
- Housing services had been extremely poor in previous years and residents had been ignored under the Labour leadership of the council, and the lack of a housing strategy had left significant legacy issues for the council;
- Better commissioning, more efficient systems and better management had led to £1.7m of savings for Children's Services since May 2022, and that the council now was investing in transformation projects;
- The Executive Mayor had put forward a statement on tackling crime, and the council had produced its first strategy for ending Violence Against Women and Girls, and that this budget would allow members to continue work in these areas;

In conclusion, the Cabinet Member for Finance, Councillor Jason Cummings, stated that hard decisions needed to be made, and that it would be unsafe to cut services any further.

Members then voted on the Budget and Council Tax Report and,

RESOLVED, with 34 votes for and 37 votes against, to reject the Budget and Council Tax-setting proposals before Council.

The Leader of the Opposition then summarised the reasons for this resolution, asking the Executive Mayor to revise the proposals in light of the principle objection to the increase in Council Tax levels for this year. Opposition members believed they had not been provided with adequate options, and that they were unable to vote on something without seeing alternatives.

The Green group, which submitted an amendment, added that they wanted it clearly outlined in the budget how residents would access support funding before they could agree to the budget, and that they also wanted to see more focus on environmental issues within the budget.

The Chair then **MOVED** that an Special Council meeting be scheduled to take place before the Ordinary Council meeting on Wednesday 29 March. This was **SECONDED** by Councillor Creatura and:

RESOLVED, to hold a Special Council meeting for the appointments of the Civic Mayoralty and Honorary Freedom Selection Committee on 29 March 2023 at 6 pm.

The meeting ended at 9.54 pm

Signed:

Date: