

Cabinet

Meeting of held on Wednesday, 25 September 2024 at 6.30 pm in Council Chamber, Town Hall, Katharine Street, Croydon CR0 1NX

MINUTES

Present: Mayor Jason Perry (Chair);

Councillor Jeet Bains, Jason Cummings, Maria Gatland, Lynne Hale, Yvette Hopley, Ola Kolade and Andy Stranack.

Also Present: Councillor Leila Ben-Hassell, Christopher Herman, Stuart King, Robert Ward and Callton Young.

Apologies: Councillor Scott Roche

PART A

192/24 **Apologies for Absence**

Apologies were received from Councillor Scott Roche, Cabinet Member for Streets and Environment.

Councillor Robert Ward, Deputy Cabinet Member for Contract Management was present as a non-voting representative.

193/24 **Disclosure of Interests**

There were none.

194/24 **Minutes of the previous meeting**

The minutes of the Cabinet meeting held on 24 July 2024 were agreed as an accurate record.

195/24 **Scrutiny Stage One**

The Executive Mayor introduced the Scrutiny Stage One and Scrutiny Stage Two reports, advising they would be taken together. It was noted that the Executive Response to Scrutiny recommendations arising from the Scrutiny and Overview Committee on 17 September 2024 regarding the Libraries Service Review had also been published.

Councillor Leila Ben-Hassell, Chair of Scrutiny and Overview Committee noted their recent appointment as Chair and advised of their intention to work closely with the Executive Mayor, Cabinet Members, Officers, Community Groups and Residents. They expressed their thanks to the

previous Chair of Scrutiny and Overview Committee, Councillor Rowenna Davis for their hard work and commitment.

On 17 September 2024 the Scrutiny and Overview Committee had discussed the Financial Performance Reports for Periods 2 and 3 of 2024/25 and the proposals set out within the Libraries Service Review. The Chair of Scrutiny and Overview Committee stated:

Financial Performance Reports for Periods 2 and 3 of 2024/25

- The council had reported an in year projected overspend of £15.6 million as detailed in the 2024/25 Period 2 Financial Performance Report and an in year projected overspend of £23.9 million as detailed in 2024/25 Period 3 Financial Performance Report.
- The Committee had expressed disappointment that the council's financial position as of May 2024 had not been raised with Members earlier than September 2024. Previous commitments to provide financial reporting as early as possible were noted and it was felt there had been opportunity for this to be raised at the Council and Committee meetings which had taken place during the intervening period.
- The Committee welcomed the Cabinet Member for Finance's offer to keep the Committee informed of the evolving financial position and the associated risks going forward.
- The three key areas of overspend were children's social care, placements for homeless families and home to school transport for children with special educational needs and disabilities (SEND).
- The Committee had raised questions regarding the robustness of the modelling used for the 2024/25 Budget setting process and on the detail of the recovery plans currently in development.
- Due to the scale of the overspend and its attribution to the council meeting demand for statutory services, the Committee supported the Executive's cross departmental approach in achieving targeted savings of at least £3 million in each directorate.
- Concerns had been raised regarding the safety of council services in the context of these savings, in addition to the savings requirements set out in the council's Medium Term Financial Strategy.
- The Committee would continue to review the transformation workstreams and recovery plans.

Libraries Service Review

- The Committee stated the loss of even one library was hard for communities and needed to be carefully mitigated by working closely with community partners and residents to provide alternative provision.
- The national context of library closures, particularly in areas with high levels of deprivation and the similar challenges experienced in Croydon were noted.
- The success of the proposals would be dependent on their effective delivery, particularly regarding outreach services, mitigation and working collaborative with residents to meet their aspirations.
- The Committee recognised the significant work undertaken for the review. Whilst the consultation response had been higher than in previous library consultations, the Committee recommended there should be a review of the promotion of future consultations, to ensure all community voices were heard.
- The legal risks to the council were noted and it was recommended that this legal exposure needed to be further explored by the Executive. The Committee had been advised work had been undertaken to mitigate these risks as much as possible.
- The wider range of options available, beyond community asset transfers, were welcomed by the Committee.
- The importance of further consultation with community groups to discuss the alternative future provisions was noted.

The Chair of Scrutiny and Overview Committee accepted the Executive Response received and advised of the Committee's intention to undertake a 1-year review of the proposals, along with a review of the use of 'Open Plus' before it being rolled out across further sites.

It was advised the upcoming Scrutiny Streets and Environment Sub-Committee would discuss the mobilisation and monitoring of the future waste contract.

Councillor Jason Cummings, Cabinet Member for Finance thanked the outgoing Chair of Scrutiny for their work and noted the collegial conduct of Scrutiny during their time as Chair. Scrutiny had made positive comments about the council's performance and improvement whilst holding the Executive to account. The rigid time keeping of Scrutiny was also commended.

Cabinet **RESOLVED** to;

1. Receive the recommendations arising from the meeting of the Children & Young People Sub-Committee on 16 July 2024 (Appendix 1) and the Streets & Environment Sub-Committee on 22 July 2024 (Appendix 2).

2. To provide a substantive response to the recommendations (a Scrutiny Stage 2 Report) at the Cabinet meeting on 20 November 2024.

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Scrutiny Stage Two

Please note Scrutiny Stage One and Scrutiny Stage Two were taken together, please find the minutes for this item above, under Scrutiny Stage One.

Cabinet **RESOLVED** the following amended recommendations to;

2.1.1 Approve the responses and action plans attached to this report as Appendices 1, 2, 3, 4, 5, 6 & 7;

2.1.2 Delegate authority to the officers identified in Appendices 1, 2, 3, 4, 5, 6 & 7 to report back to the Scrutiny and Overview Committee, or relevant Sub-Committee, within the periods specified in the agreed responses and action plans, and on progress made in implementing any action plan, and;

2.1.3 To approve the Executive Responses as detailed in the supplementary agenda, regarding the Libraries Review recommendations, from the Scrutiny meeting on the 17th September.

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Libraries Review

The Executive Mayor introduced the Libraries Review and made the following statement:

The proposals before us today are the result of extensive independent research and review of libraries provision in the borough. This includes needs assessment, public consultation, analysis of the finding, equality impact analysis and ultimately a commitment to create a better library service for all of our residents.

As the Executive Mayor, I understand the importance of making tough decisions to ensure we have a comprehensive, modern, efficient, and accessible library service for all of our residents across the borough. This means investing in a model that reaches more people, with extended hours, greater access to study spaces, Wi-Fi, books, PCs, and community events and programmes.

Our library service has been struggling since 2019 owing to budget cuts of over £800,000 and significant reductions in opening hours, making the present service unsustainable.

Despite the best efforts of our staff, the library service is essentially failing residents and not meeting our best value duty. Currently, fewer than 10% of our borough's residents are using the libraries, and even our own staff have indicated that the limited hours do not meet residents' needs.

To do nothing was not an option.

Having considered the extensive officer report and supporting appendices, I am minded to proceed with the proposed new library service model for the borough. The proposed changes seek to revitalise the service, making it more accessible to all Croydon residents and meet their assessed needs. We are proposing that our library service transition from 13 libraries, some of which are only open two days a week, to nine libraries open at least five days a week, including staffed Saturdays.

Overall, this will include increased staffed and opening hours, more outreach services, and an enhanced digital offer at our libraries.

To achieve this, we must make some difficult decisions. We are proposing the closure of four library buildings—Bradmore Green, Broad Green, Sanderstead, and Shirley. However, this does not mean the end of library services in these areas.

We plan to introduce a new outreach model, bringing services to easily accessible community venues, suggested by residents, where people can borrow books, participate in events, and stay connected with the community.

It was also evident through public consultation that the physical library buildings hold significance for the community.

Let me be clear: I want these buildings to continue to be used by the community, complemented with outreach services in these areas. Some funding will be available for building improvements if a community group wants to take on a library building.

This is not about asset sale or developing sites. This is about reinvestment in the service. I am pleased to advise that Shirley Library has been accepted as an Asset of Community Value, and I welcome other groups to come forward to also apply for their library buildings to be Assets of Community Value.

We have included an extensive engagement plan, which sets out how we intend to both support and engage with the community to run these buildings as community bases.

This will include facilitating a series of workshops to support any local groups who would like to explore this option. In the interim we are working with groups to ensure activities like rhyme time, knitting clubs, and games clubs continue in alternative venues. We are committed to ensuring no community is left behind.

This is not about selling sites to developers. The service must evolve as our reading habits change, and we must deliver an improved universal offer across the borough, supporting those who need us most.

We understand that the decision to close any library is difficult, and many will be saddened by the closure of their local branch. I know that libraries are much cherished, and I certainly have fond memories of my Saturday morning trips to the library with my dad.

That is why I want our libraries to once again be at the heart of our communities. I believe these proposals will achieve that, whether through community outreach to the young and old, online services, or as a library or community base.

This proposal is not about taking services away—it's about ensuring we have a library service that works for everyone. We are committed to ensuring that this new approach benefits as many residents as possible and helps us build a stronger, more resilient Croydon library service for the future.

This Administration will ensure nine libraries open at least five days per week including Saturdays along with four community bases, an enhanced digital and outreach offers along with more opening hours, more staff and a better service for Croydonians.

Cabinet Member for Communities and Culture, Councillor Stranack advised the report was the culmination of a 15 month research and consultation process and reiterated that the current library service was failing to meet the council's best value duty to provide a comprehensive and efficient service to residents.

During the consultation Officers and Members had held 46 meetings, reaching a live audience of 1680 residents and in total 3500 residents provided feedback.

The key areas of feedback gathered were:

- Residents wanted extended library opening hours, particularly Saturday opening.
- Residents wanted more proactive communications and promotions.
- Residents wanted more community events to take place in libraries.

- Where library services were withdrawn from any building it was important for the building to remain a community space where everyone could feel welcome.

The transformed library service would meet the Library review's initial objectives, including;

- To reach more people, including those who needed the library service most.
- For residents to know what was being offered via good marketing.
- To provide a wide range of activities and have facilities which were welcoming and attractive to all.
- To provide a more efficient service, generating more income via venue hire and seeing more people willing to help to provide community services.

The library services at Bradmore Green, Broadgreen, Shirley and Sanderstead would be removed. However there were a number of mitigating services within the proposals to ensure every Croydon resident still had access to a local library service. As set out in Appendix E of the Library Review report, consultation would be undertaken with local communities, voluntary and faith sector partners to ensure the spaces remained as community centres providing a range of services. Thanks were extended to key officers and all library staff for their time and effort throughout the research, consultation and formulation of the proposals.

Deputy Mayor and Cabinet Member for Homes, Councillor Hayle echoed the thanks given to library staff for their hard work and noted one of the proposed closures was in Sanderstead ward, which they represented. The Sanderstead library building and a tree within its grounds were listed and the building recognised as an asset of community value. The building was described as a treasure and the importance of it to the local community noted. The closure of the library provided an opportunity for the building's use as a community base for residents. It was suggested the current three day opening of the building should be protected and Councillor Hayle expressed their commitment to seeing the building thrive.

In response to questions, Director of Culture & Community Safety Kristian Aspinall, confirmed there were no plans to sell or develop any of the four library buildings. It was the intention to keep the buildings open as community bases and no budget had been forecast for any sales or development. Services would include a new home library outreach service, community events and 'Library Links' a community book collection and mobile events service. The council was working closely with all existing community groups to find alternative venues. A shuttle bus service would be launched and the timetable published in mid-October 2024. The total number of library opening hours was increasing with nine libraries opening a minimum of five days per week.

Cabinet Member for Finance, Councillor Cummings noted their conflict in representing a ward within which a library closure was proposed (Shirley) and being a Cabinet member representing Croydon as a whole. They thanked the residents who had championed Shirley Library and noted their support for the intention for the buildings to remain in use as accessible community spaces. The application for Shirley Library to be recognised as an asset of community value had been successful.

It was confirmed that in October 1986 as part of the construction of sheltered accommodation at Marlowe Lodge an extension had been constructed and opened at Shirley Library in December 1988. All conditions and transactions had been completed.

Clarification was sought regarding the covenant arrangements in place for Shirley Library and on the approach to ensure access to library services for residents of the Shrublands Estate.

Monitoring Officer, Stephen Lawrence-Orumwense advised the covenant arrangements in place did not include any requirement for the council to retain the building's use as a library. Advice on this position had been shared with the Scrutiny and Overview Committee.

Director of Culture & Community Safety, Kristian Aspinall responded that data showed residents of Shrublands Estate were not currently using the library service and the proposed outreach services would better serve residents in the estate.

Further clarification was sought regarding why there was no specific requirement for library provision within the covenants. Monitoring Officer, Stephen Lawrence-Orumwense advised there were three specific covenants which related to the boundary fences and gates, the building not being used for private dwelling and its value. There was no provision requiring the council to retain the building's use as a library.

Cabinet Member for Health and Adult Social Care, Councillor Yvette Hopley described how loved the Sanderstead library was by community groups and local families. Assurance was sought around the continued access to community groups for grounds maintenance and on how the council would work with community groups to ensure the continuation of current service provision and activities.

Officers advised the council was working closely with all existing community groups to transition to alternative spaces or where appropriate continue to use the spaces in the short term.

Longer term, as set out in Appendix E of the Library Review report, a proactive approach was being undertaken to identify and engage with existing or new community groups to take over the buildings, including via social media marketing and in person and online outreach meetings. The aim was to support groups for long term viable takeover of the buildings,

including physical improvements to the buildings and potential transition grants to support takeover and running for the next two years. There had already been engagement with potential groups during the consultation process.

Corporate Director of Sustainable Communities, Regeneration & Economic Recovery, Nick Hibberd reiterated that the proposals were the culmination of an extensive process of independent research, a review of needs, public consultation and analysis of the consultation outcomes and the equalities impact assessment.

Director of Culture & Community Safety, Kristian Aspinall noted the full range of documentation available to support Cabinet in its decision making process as available at Appendices A - G of the Libraries Review Report. They advised Cabinet of the service's requirement to deliver duties as set out in the 1964 Libraries Act, under the council's overall duty of best value to residents and within its legal Equalities duties. The council had sought to develop the library service in consultation with its communities and through analysis of evidence around local needs. It had worked closely with the Department for Culture, Media and Sport (DCMS) throughout the process ensuring it followed their guidelines and the statutory guidance. Croydon's library services was one of the cheapest library services in England and Wales. The current budget was almost entirely for staffing costs and had very little or no resource for other activities. The updated budget included the outreach service, the transport costs for the shuttle service, security costs for open plus and other budget lines that were previously not line items in the budget.

Findings and responses from the extensive consultation were available at Paragraph 6.6 of the Libraries Review report.

Detailed Equalities Impact Assessments (EQIA) available at Appendices Di - Dv had been undertaken and the potential equalities impacts of changes were considered throughout the process. Residents with protected characteristics were not well served by the existing model. Should a decision be made, the equalities impacts would continue to be monitored and would form part of the 12 month review of the service.

Some typographical errors had been identified within the report and these would be amended before any future publication, any amendments would not impact the evidence or proposals.

Director of Culture & Community Safety, Kristian Aspinall concluded whilst the majority of respondents to the consultation did not support library closures, the recommendations were the best possible solution to deliver a better service for Croydon residents and to enable the council to best meet its legal duties for libraries, best value and equalities.

The Executive Mayor thanked officers for their work both on the consultation process and on producing the significant reports.

Leader of the Opposition, Councillor Stuart King stated the closure of the four libraries would be devastating for the communities they served, noting their wider usage for community activities. Hundreds of residents had signed petitions to save the four libraries and two thirds of residents had rejected the proposals. Resident campaigners for Broad Green Library were present. Councillor King asked why the Executive Mayor was ignoring Croydon's residents, who had expressed they did not want their libraries to close.

The Executive Mayor responded that the proposals were to keep the buildings open and in use as community spaces. It was the intention to meet the needs of Croydon's most vulnerable residents and provide a best value and holistic service. Libraries were an emotive issue and the decision was a difficult one, but changes were required in the interests of the whole borough.

Director of Culture & Community Safety, Kristian Aspinall confirmed that every existing community group active within the libraries would be supported to find an alternative venue in the community or continue to use the existing building under temporary arrangements.

Cabinet **RESOLVED** the following amended recommendations;

2.1 To consider the assessment of local needs undertaken as part of the Libraries Review, detailed in Appendix A to the 31st January Cabinet - Phase 1-2 Report and outlined in paragraph 6.47 below

2.2 To consider the detailed consultation activity undertaken on the proposed Library Service model as outlined in Section 6 of this report and Appendix A titled Library Service Review Phase 3 Report and Appendix B titled Library Service Review Phase 3 Consultation Findings Report.

2.3 To consider the consultation responses and findings on the proposed Library Service model including the areas of concern raised by residents as outlined in section 6 of this report and Appendix B titled Library Service Review Phase 3 Consultation Findings Report and Appendix C – Review of Closure Options Report.

2.4 To consider the equality impact assessments of the proposed Library Service model including the proposed library closures and the action to mitigate the impact on groups with protected characteristics as outlined in Section 6 (6.47 to 6.67) and Section 8 (8.3.1 to 8.3.9) and Appendix D titled Equality Impact Assessment set, and Appendix C titled Review of Closure Options.

2.5 To consider the recommendations arising from the Scrutiny and Overview Committee meeting on 17th September 2024 relating to the proposed Library Service model.

Please note the Executive Response to the Scrutiny recommendations was approved by Cabinet at Item 6. Scrutiny Stage Two.

2.6 To consider whether the proposed Library Service model as set out in Section 6 below would meet the assessed local needs and the duty to provide a comprehensive and efficient library service.

2.7 To agree to adopt the proposed Library Service model set out in Section 6 below and Chapter 5 of Appendix A Library Service Review Phase 3 Report and summary of which are as follows:

a) To keep open and increase the opening hours to a minimum of 5 days a week and Saturday opening, including a programme of activity aligned to the Library Universal Offers at the following nine libraries:

- i) Central Library (Opening days to be increased from 5 to 6 days per week);
- ii) Ashburton Library (Opening days to be increased from 4 to 5 days per week);
- iii) New Addington (Opening days to be increased from 3 to 5 days per week*);
- iv) Selsdon Library (Staffed opening days to increase to from 3 to 5 days per week with two days self service access retained*);
- v) Coulsdon Library (Opening days to be increased from 3 to 5 days per week);
- vi) Purley Library (Opening days to be increased from 2 to 5 days per week*);
- vii) Norbury Library (Staffed opening days to increase to from 3 to 5 days per week with two days self service access retained);
- viii) South Norwood Library (Opening days to be increased from 2 to 5 days per week*) and
- ix) Thornton Heath Library (Opening days to be increased from 3 to 5 days per week)

All libraries will be open five days a week. *including some self-service access. See 6.38 for proposed new timetable.

b) To open all nine listed libraries above with staff on Saturdays.

c) To extend self-service access to Coulsdon and Thornton Heath Libraries.

d) To redevelop South Norwood Library in conjunction with the neighbouring Samuel Coleridge Taylor Youth Centre, delivering a library service alongside the existing Youth Centre and a new Family Hub, introducing self-service access and extending the opening hours to include Saturdays.

e) To redesign the space at New Addington Library to improve the utilisation and alignment with existing Croydon Adult Learning & Training (CALAT) service and to extend the opening hours to include Saturdays.

f) To invest in Purley Library to create classroom/event space for utilisation by CALAT and other VCFS partners and to extend the opening hours to include Saturdays.

g) To develop an outreach service to enable the library service to engage more effectively with non-users, reach areas of need in the borough and mitigate the impact of library closures across the following three strands of provision, and as set out in paragraphs 6.41-6.45 and Chapter 5 of Appendix A – Phase 3 Report: - Home Library Service – a book delivery service for residents unable to visit a library building, care homes and school settings impacted by library closures. - Community events – library service information and promotion at community events and festivals and in schools and settings. - Library Links – a network of community book collections in local venues available alongside weekly drop in sessions of library events and activities.

h) To provide a digital offer including the 24-hour online service offering an extensive collection of stock and materials, learning and reference help and a programme of digital skills support sessions delivered in the libraries and community venues as outlined in paragraph 6.46 and Chapter 5 of Appendix A – Phase 3 Report.

i) To improve the promotion and marketing of the service to better inform and engage residents with the library offer.

j) With effect from the 8th November 2024, to close the following four libraries: Bradmore Green, Broad Green, Sanderstead and Shirley.

k) To approve the following general measures to mitigate the impact of the four libraries closures:

- Extended opening hours at the remaining nine libraries to a minimum of 5 days a week, including introducing Saturday opening at all nine libraries and evening opening at two libraries, increasing staffed opening hours overall to 344 per week;

- Provision of a scheduled weekly accessible bus shuttle service for residents with access needs to visit their nearest library;

- Delivery of an outreach service entailing community book collections and weekly events held in community venues with a particular focus on areas of higher deprivation raised during the consultation;

- Provision of book collections for schools most impacted by the closure of libraries;

- Schools local to a library proposed to close will be accommodated for class visits at the next nearest Croydon Libraries;
- Investment in the library service digital offer including training and skills sessions;
- Improved marketing and communication of the service offer to better reach local residents;
- Access for users who are unable to visit a library to use the home library service.

2.8 To agree that the proposed model for the Library Service meets the assessed local needs identified and the duty to provide a comprehensive and efficient library service and as set out in paragraph 6.46 below.

2.9 To consider and approve the implementation plan outlined from section 6.73 and Chapter 7 of Appendix A Library Service Review Phase 3 Report for delivering the new model and which comprise a transition plan and full community mitigation measures for the four proposed libraries closures.

2.10 To agree to commence a process to consider community operation for sites no longer required for delivery of the statutory library service

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2024-25 Period 2 Financial Performance Report

The Executive Mayor introduced the Period 2 and Period 3 Financial Performance Monitoring reports and advised they would be taken together. Croydon's financial challenges due to the council's £1.4 billion debt burden costing £62 million annually and the significant challenges in key areas of homelessness, children's social care and transport for children with special educational needs were noted. Councils across London faced similar issues due rising costs and increasing demand. Intervention strategies to address Croydon's projected overspend had started to show positive results and specific issues were being tackled, including an in-depth review of children's expenditure, tighter spend control mechanisms and the development of recovery plans for homelessness, children's placements and SEND transport.

Cabinet Member for Finance, Councillor Jason Cummings confirmed the council was forecasting an overspend of £23.9 million at Period 3 due to demand led costs. A whole council approach had been adopted to address the overspend and any additional savings available via the council's transformation work were being explored.

Section 151 Officer and Corporate Director of Resources, Jane West reassured Cabinet that the council did not anticipate issuing a Section 114 Notice and noted the £27.5 million currently held in reserves, which the council was working to ensure it did not need to utilise.

Leader of the Opposition, Councillor Stuart King noted their concern regarding Croydon's financial position so early in the financial year and advised of their disappointment that information had not been shared with Scrutiny and Overview Committee or opposition councillors sooner. Concerns were raised regarding the departmental overspends and subsequent corporate budget adjustments, issues which had been highlighted in the Report in the Public Interest (RIPI) in 2020.

Councillor King questioned the nature of the £13 million earmarked reserves deployed, whether anymore were available and asked the Section 151 Officer to advise if the council could close the £23.9 million overspend gap and how likely the need to utilise general fund reserves was.

Cabinet Member for Finance, Jason Cummings confirmed the council did not wish to use reserves however they were there if needed, for that purpose. It was the intention to close the gap within the financial year and therefore not use general fund reserves.

Section 151 Officer, Jane West explained the concerns raised within the RIPI report had been regarding a lack of transparency around adjustments and budget management. Budget monitoring reports were now published monthly and there was transparency around any adjustments. Due to the scale of the departmental overspends, corporate adjustments had to be made and there was reasonable confidence that the budget could be brought back to a balanced position. The Corporate Management Team was focussed on achieving this without utilising the council's £27.5 million reserves.

Deputy Section 151 Officer, Allister Bannin advised the council's reserves had been £74 million, less the £13 million, the current total was £61 million. This was separate to individual service's earmarked reserves and to the general fund reserves of £27.5 million. The £13 million had been drawn from reserves for demographic demand and market increases. It was noted that the council's reserve balances were subject to the completion of audited Financial Statements for years 2019/20 onwards.

Deputy Leader of the Opposition, Councillor Callton Young requested further information regarding Croydon's overspend position in relation to other local authorities noting the report cited unprecedented overspend of £600 million as reported by London Councils. It was also queried how the 2023/24 24% increase in children's social care cases had been factored into the 2024/25 budget setting.

The Executive Mayor responded that the increases in demand were an issue across London and the council was working to mitigate the situation.

Cabinet Member for Finance, Jason Cummings advised there had been a step change in the anticipated rates of demand across several other

London local authorities and regarding children's social care cases, all known increases had been included within the budget modelling.

Section 151 Officer, Jane West clarified the £600 million overspend estimate reported by London Councils was for 2024/25 and provided examples of other London local authorities overspends: Newham £46 million, Barnet £38 million, Redbridge £34 million, Bromley £18 million.

Cabinet **RESOLVED**;

2.1 to note the General Fund revenue budget outturn is forecast to overspend at financial year end by £15.6m at Period 2, after the budgeted utilisation of £38m capitalisation directions requested from the Ministry of Housing, Communities and Local Government (MHCLG), utilisation of the £5.0m risk contingency budget and utilisation of £13.0m corporate earmarked reserves.

2.2 to note that all service directorates have been asked to reduce their net expenditure so that the annual budget can be balanced at the end of the year. It should not be underestimated what a challenge this will be against the background of increased demand pressures which are continuing to build across local government and increased market prices. Forecast overspend pressures are also demonstrated in the Month 2 and Quarter 1 reports published by other London councils. However, the Council will still strive to bring its 2024-25 budget into balance including through the in-year Financial Recovery Plan as set out from para 4.8.

2.3 to note the progress in Medium Term Financial Strategy (MTFS) savings achievement of £20.8m (75.1%) against the total savings target of £27.7m as set out in paragraph 4.118.

2.4 to note the work that has commenced on the Council's Transformation Programme as set out from paragraph 4.115.

2.5 to note the Housing Revenue Account (HRA) revenue budget outturn is forecast to overspend by £2.0m.

2.6 to approve the net budget increase in 2024-25 General Fund capital programme budgets resulting from 2023-24 net slippage of £19.7m.

2.7 to note the General Fund capital programme 2024-25 forecast underspend of £1.0m against the revised capital budget of £110.0m.

2.8 to note the HRA capital programme 2024-25 forecast underspend of £4.9m against the capital budget of £57.2m.

2.9 to note the Council's historic borrowing and subsequent debt burden continues to be critical to the non-sustainability of the Council's revenue budget. Dialogue with MHCLG continues around options of further financial support from Government in regard to the level of structural

indebtedness to ensure the Council can deliver sustainable Local Government services.

2.10 to note that the Council continues to operate Spend Control Panels to ensure that tight financial control and assurance oversight are maintained.

2.11 to note that current forecasts are based on the best available information at the time and will be subject to review and change during the financial year.

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2024-25 Period 3 Financial Performance Report

Please note the 2024-25 Period 3 Financial Performance Report was taken together with 2024-25 Period 2 Financial Performance Report, please find the minutes under 2024-25 Period 2 Financial Performance Report above.

Cabinet RESOLVED;

2.1 to note the General Fund revenue budget outturn is forecast to overspend at financial year end by £23.9m at Period 3, after the budgeted utilisation of £38m capitalisation directions requested from the Ministry of Housing, Communities and Local Government (MHCLG), utilisation of the £5.0m risk contingency budget and utilisation of £13.0m corporate earmarked reserves.

2.2 to note that all service directorates have been asked to reduce their net expenditure so that the annual budget can be balanced at the end of the year. It should not be underestimated what a challenge this will be against the background of increased demand pressures which are continuing to build across local government and increased market prices. Forecast overspend pressures are also demonstrated in the Month 2 and Quarter 1 reports published by other London councils. However, the Council will still strive to bring its 2024-25 budget into balance including through the in-year Financial Recovery Plan as set out from para 4.8.

2.3 to approve budget inter-directorate virements from Corporate to service directorates for non-pay inflation (£15.694m) as set out in the table in paragraph 4.102.

2.4 to note the progress in Medium Term Financial Strategy (MTFS) savings achievement of £20.8m (75.1%) against the total savings target of £27.7m as set out in paragraph 4.124.

2.5 to note the work that is continuing on the Council's Transformation Programme as set out from paragraph 4.122.

2.6 to note the Housing Revenue Account (HRA) revenue budget outturn is forecast to overspend by £2.0m.

2.7 to approve the budget changes in 2024-25 General Fund capital programme budgets totalling a net increase of £8.5m, which includes adoption of Reconnecting Croydon (£4.755m funded by government grant) and the Oracle Improvement Programme (£4.419m funded by earmarked reserves) as set out in para 4.152.

2.8 to note the General Fund capital programme 2024-25 breakeven forecast against the revised capital budget of £118.5m.

2.9 to note the HRA capital programme 2024-25 forecast underspend of £4.9m against the capital budget of £57.2m.

2.10 to note the Council's historic borrowing and subsequent debt burden continues to be critical to the non-sustainability of the Council's revenue budget. Dialogue with MHCLG continues around options of further financial support from Government in regard to the level of structural indebtedness to ensure the Council can deliver sustainable Local Government services.

2.11 to note that the Council continues to operate Spend Control Panels to ensure that tight financial control and assurance oversight are maintained.

2.12 to note that current forecasts are based on the best available information at the time and will be subject to review and change during the financial year.

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(PART A)

Procurement Waste and Street Cleansing Service - Award Report

The Executive Mayor introduced the report stating a new waste and street cleansing service aligned with the Mayor's Business Plan would launch in April 2025. Strict financial and procurement regulations were applied to the received bid to ensure best value was achieved. The new service included the following improvements:

- A graffiti removal service
- Improvement to contract management
- Increased waste collection frequency for flats above shops
- Introduction of a nighttime economy collection
- A more targeted, data-driven street cleaning service
- Annual reviews and the option to extend based on performance
- Potential future carbon reduction and a commitment to sustainability

Resident feedback regarding collection frequency and improvements to street cleansing were addressed within the contract.

Deputy Cabinet Member for Contract Management, Councillor Robert Ward advised there would be no reduction to the waste collection

frequency and the night time economy collections and additional service for flats above shops were important enhancements. The dynamic street cleansing schedule which aligned to resource requirements was noted and Croydon would now manage its own service delivery, with an active client management team serving as an example to other large contracts. It was felt the contract would provide a good and continuously improving service to residents.

Corporate Director of Sustainable Communities, Regeneration & Economic Recovery, Nick Hibberd noted the report was the conclusion of a comprehensive procurement process and had involved officers with expertise from across the council both in the design and assessment of the service. The contract followed the specification developed with oversight from the Scrutiny Streets and Environment Sub-Committee and Cabinet in 2023.

Shadow Cabinet Member for Streets and Environment, Councillor Herman asked if the administration had failed to secure a competitive process by having only one bidder.

Head of Environment and Neighbourhood Services, Charles Baker advised engagement with the wider market had been undertaken prior to the implementation of the procurement strategy and enabled the structure of an attractive specification. During the dialogue process, the commercial risk had not fit with all the bidder's corporate agendas and only one bidder had submitted a financially viable solution for evaluation. It had been the commercial risk and market which had changed, it was noted that the market had reduced, with businesses focussing on other environmental service areas.

Cabinet **RESOLVED**;

2.1 To approve the appointment of the preferred bidder named in the Part B report for the delivery of waste and recycling collection, street cleansing and vehicle maintenance services for a term of eight years (April 2025 – 2033), with an option to extend for a further two periods of eight years each by mutual consent for the value stated in the Part B report.

2.2 To agree that, subject to there being no material changes to the scope of services and proposed solutions set out in this report, the Corporate Director of Sustainable Communities, Regeneration and Economic Recovery in consultation with the Executive Mayor and Cabinet Member for Streets & Environment is authorised to agree the final contract.

2.3 To note the identity of the Preferred Bidder will be released following the award decision, in accordance with usual practice.

The Executive Mayor introduced the Croydon Investment Plan, Unlocking Croydon's Potential report noting the three-year investment plan was an important step towards revitalising Croydon and securing long-term economic growth. A new Partnership Board would be created to support cross sector working and inward investment.

Cabinet Member for Planning and Regeneration, Councillor Jeet Bains commented that the three-year plan facilitated a collaborative and data driven approach to inward investment and noted the report's recommendations.

Corporate Director of Sustainable Communities, Regeneration & Economic Recovery, Nick Hibberd noted the report was the culmination working with partners and businesses across Croydon, including the Town Centre Advisory Board, Develop Croydon and the Business Improvement District. Thanks were extended to the groups for their engagement in the process.

The Executive Mayor thanked officers and partners for their work to realise the plan.

Leader of the Opposition, Councillor Stuart King suggested the condition of Croydon's streets and public realm including the challenges of street homelessness and rough sleeping could inhibit inward investment. They questioned the council's threat of court action against Night Watch and suggested engagement with Night Watch would enable the continuation of their support to vulnerable people and present the borough as a place of compassion to investors.

The Executive Mayor responded that a Town Centre Task Force with cross partner health and police colleagues had been set up to tackle issues in the town centre.

Cabinet Member for Planning and Regeneration, Councillor Jeet Bains advised the report provided a strategic evidence base upon which investment decisions could be made, based on analysis of the landscape, demographics and opportunities within the borough.

It was noted that the plan was in line with the broader London Growth Plan and Croydon had been identified as a high priority for investment due to its enormous potential.

Cabinet **RESOLVED** to;

2.1. Agree to adopt the Croydon Investment Plan.

2.2. Agree to the establishment of a Partnership Board that brings together key partners to action the Plan and deliver new investment into the borough.

2.3. Subject to agreeing recommendations 2.1 and 2.2, agree to delegate authority to the Corporate Director of Sustainable Communities Regeneration and Economic Recovery in consultation with the Mayor and the Cabinet Member for Planning and Regeneration to agree the structure, membership, constitution and Terms of Reference of the Partnership Board.

202/24
(PART A)

Whitgift Indemnity and Land Transfer Agreement Remedy - Update

The Executive Mayor introduced the Whitgift Indemnity and Land Transfer Agreement (ILTA) Remedy - Update report and stated the revised Indemnity and Land Transfer Agreement (ILTA) signified a positive reset of the Council's relationship with Croydon Limited Partnership (CLP). A key part of the plan was the investment in North End, the ILTA would allocate over £6 million toward initiatives in the area including repurposing elements of the Alders building for temporary use. The master planning process was underway promising a more diverse mix of land uses. The council was focussed on public safety and environmental improvements such as the Wellesley Road regeneration and closure of the underpass. The Urban Room initiative which supported public engagement in the regeneration plans was noted.

Cabinet Member for Planning and Regeneration, Councillor Jeet Bains noted the requirements for due diligence to protect the council's interests and welcomed the £6 million contribution to improvements in the town centre. Thanks were extended to CLP for their collaborative approach.

Corporate Director of Sustainable Communities, Regeneration & Economic Recovery, Nick Hibberd noted whilst the report focussed on the remedy payment, this was one aspect of a wider programmes of activity including the Town Centre Strategy, Urban Room, Growth Zone Programme, Reconnecting Croydon Programme and the Civic Partnership Programme.

Leader of the Opposition, Councillor Stuart King queried the position were an application not received within the timescale and queried whether the recommendation to seek legal advice had been actioned.

Head of Spatial Planning, Growth Zone and Regeneration, Steve Dennington advised the legal opinion was still to be sought. The due diligence from property surveyors and the external professional legal advice taken from Pinsent Masons throughout the process were noted.

Each remedy subject to without prejudice negotiations had attached delivery timescales and penalties. Regarding planning, there were mechanisms to reinvest funding into other elements of the remedies.

Cabinet **RESOLVED** to;

2.1 Agree to enter into the following agreements to facilitate the regeneration of the town centre:

a) Deed of Release and Replacement of Guarantor in respect of the CPO Indemnity & Land Transfer Agreement (“ILTA”) releasing Hammerson UK Properties Limited as a guarantor and appointing Unibail-Rodamco TH B.V. as the replacement guarantor; and

b) 4th Supplemental Agreement to the ILTA in relation to general updating and introducing the revised remedy provisions.

2.2 Agree to delegate authority to the Corporate Director of Sustainable Communities, Regeneration and Economic Recovery to negotiate and enter into a Conditional Land Sale Agreement in relation to the freehold of the former Alders Car Park, the leasehold of the Whitgift Car Park, subsoil of a small area of land in Poplar Walk, subsoil of part of Dingwall Avenue, and possible ground anchor licences.

2.3 Agree to delegate authority to the Corporate Director of Sustainable Communities, Regeneration and Economic Recovery in consultation with Executive Mayor and Cabinet member. to finalise the terms of the above agreements (as set out in paragraphs 2.1 and 2.2) and take decisions pursuant to the above agreements once completed, including in relation to the implementation of the remedies

203/24

Public Health Peer Review

The Executive Mayor introduced Public Health Peer Review the report. The Local Government Association (LGA) peer review took place in n March 2024 and assessed 3 key areas: Vision and Strategy, Use of Resources, and Partnership Working. The review commended the operational achievements of the public health team and identified opportunities to reinforce corporate leadership, partnerships and resource utilisation.

The Council had created an action plan to address the review’s recommendations, forming task and finish groups to lead change in four key areas: Public Health finance and governance, corporate leadership and visibility, system partnerships, and evidence-based practice.

Cabinet Member for Health and Adult Social Care, Councillor Yvette Hopley noted the work and progress around the recommendations undertaken since March 2024 and thanked the team for working to bring about the changes so quickly. Appendices to the report summarised the LGA feedback and detailed the draft delivery plan.

Leader of the Opposition, Councillor Stuart King welcomed the review and the report. The green RAG ratings across the actions were noted and assurance sought that the reporting was accurate.

Cabinet Member for Health and Adult Social Care, Councillor Yvette Hopley advised they had reviewed each action rating with the Interim Director of Public Health and these would continue to be monitored.

Interim Director of Public Health, Andrea Fallon stated the peer review had been a privilege for the department, noted the commitment of the team and confirmed the RAG ratings within the report were correct.

Cabinet **RESOLVED**;

2.1 to note the key findings of the Public Health Peer Review contained in appendix A and summarised in section 4.4 of this report.

2.2 to note next steps and the transformation the Public Health function is undertaking, an outline summary for which is set out in appendix B in accordance with the peer review recommendations.

2.3 to endorse the publication of the peer review report.

The meeting ended at 8.17 pm