

DIRECTIONS UNDER SECTION 15(5) OF THE LOCAL GOVERNMENT ACT 1999

1. The Secretary of State for Levelling Up, Housing and Communities (“the Secretary of State”) has carefully considered the following in respect of the London Borough of Croydon (“the Authority”):
 - i. The quarterly progress reports from the London Borough of Croydon Improvement and Assurance Panel (as published on gov.uk) including the:
 - First Progress Report published on 17 March 2021
 - Second Progress Report published on 17 June 2021
 - Third Progress Report published on 2 November 2021
 - Fourth Progress Report published on 7 March 2022
 - Fifth Progress Report published on 16 March 2023
 - Sixth Progress Report published on 16 March 2023
 - ii. The Reports in the Public Interest (PIRs) from external auditors Grant Thornton published on 23 October 2020 (Financial decision-making and governance) and 26 January 2022 (The Refurbishment of Fairfield Halls).
 - iii. The Section 114 Report from the Section 151 Officer at the London Borough of Croydon published on 22 November 2022.
 - iv. The report of the independent Housing Improvement Board of December 2022.
 - v. The independent report by Richard Penn (LGA) into the Council’s financial collapse published on 24 February 2023.
 - vi. The representation from the London Borough of Croydon to the ‘minded to’ intervention proposals published on 20 July 2023.
2. The Secretary of State is satisfied that the Authority is failing to comply with the requirements of Part I of the Local Government Act 1999 (“the 1999 Act”).
3. The Secretary of State, having considered the representations made by the Authority as required by section 15(9) of the 1999 Act, and those items listed above, considers it necessary and expedient, in accordance with his powers under section 15(5) of the 1999 Act, to direct the Authority to work with the Improvement and Assurance Panel as set out below in order to transform the Authority so that it secures compliance with the requirements of Part I of the 1999 Act. In particular this will require continued work to address the historic culture of poor financial management and operation of the Authority’s housing service.
4. Pursuant to his powers under section 15(5) of the 1999 Act, the Secretary of State directs the Authority to take the actions set out in Annex A to these Directions.
5. These Directions shall remain in force until 20 July 2025 unless the Secretary of State considers it appropriate to amend or revoke them at an earlier date.

Signed on behalf of the Secretary of State for Levelling Up, Housing and Communities.

Maxwell Soule

Senior Civil Servant in the Department for Levelling Up, Housing and Communities

Date: 20 July 2023

ACTION THE AUTHORITY IS REQUIRED TO TAKE

In this Annex, the following expressions have the following meanings –

“the Authority” includes the Mayor of the Council, Cabinet Members, any committee or sub-committee; and any other person who has responsibility for the matter in question.

The actions to be taken by the Authority are:

1. To continue to implement the London Borough of Croydon Renewal Plan to the satisfaction of the Improvement and Assurance Panel, and as a minimum, to implement the following components:
 - To continue to address the culture of poor financial management at the Authority.
 - To continue to improve the capacity and capability of the Authority’s housing service.
 - To continue to restore public trust and confidence in the Authority by transforming the Authority’s activities, practices, and omissions to ensure that they are compatible with the best value duty.
 - To secure as soon as practicable that all the Authority’s functions are exercised in conformity with the best value duty thereby delivering improvements in services and outcomes for the people of Croydon.
2. To report to the Secretary of State on the delivery of the London Borough of Croydon Renewal Plan at six monthly intervals, or at such intervals as the Improvement and Assurance Panel may direct and adopt any recommendations from the Improvement and Assurance Panel with respect to the London Borough of Croydon Renewal Plan and its implementation.
3. To allow the Improvement and Assurance Panel at all reasonable times, such access as appears to the Improvement and Assurance Panel to be necessary, including:
 - a. to any premises of the Authority;
 - b. to any document relating to the Authority; and
 - c. to any employee or member of the Authority.
4. To provide the Improvement and Assurance Panel, at the expense of the Authority, with such reasonable amenities and services and administrative support as the Improvement and Assurance Panel may reasonably require from time to time to carry out its functions and responsibilities under these Directions.
5. To pay the Improvement and Assurance Panel reasonable expenses, and such fees as the Secretary of State determines are to be paid to them.
6. To provide the Improvement and Assurance Panel with such assistance and information, including any views of the Authority on any matter, as the Improvement and Assurance Panel may reasonably request.

7. To co-operate with the Secretary of State for Levelling Up, Housing and Communities in relation to implementing the terms of these Directions.