

REPORT TO:	EXTRAORDINARY COUNCIL MEETING 11 October 2021
SUBJECT:	OUTCOME OF GOVERNANCE REFERENDUM AND NEXT STEPS
LEAD OFFICER:	Katherine Kerswell, Chief Executive
WARDS:	All

FINANCIAL IMPACT

Changing the Council's governance model will necessitate changes to the Council's expenditure on Members. At this stage the following issues have been identified:

- The costs of running a mayoral ballot in addition to existing elections will need to be incorporated into the budget;
- The Scheme of Members' Allowances needs to be reviewed;
- Support costs may change.

1. RECOMMENDATION TO FULL COUNCIL

That Council:

- 1.1 Note the outcome of the referendum held on 7th October 2021 that the people of Croydon voted for a change to the Mayor and Cabinet model from the Leader and Cabinet model;
- 1.2 Approve the Council's proposals as set out in its Notice of 15th July 2021 under sections 9MA and 9MB of the Local Government Act 2000, as amended, to have a directly elected Mayor/ Cabinet model of governance as the majority of the votes cast in the referendum were in favour of a change to the Council's operating arrangements;
- 1.3 Note that a report will be brought to a future meeting of Full Council with the proposed constitutional and governance amendments to enable operation of the new governance model from 9th May 2022, following the first election for the Directly Elected Mayor taking place on 5th May 2022.

2. EXECUTIVE SUMMARY

- 2.1 An Extraordinary Council Meeting resolved on 8th February 2021 that the Council should hold a referendum on Thursday 7th October 2021 on the subject of the Council's governance arrangements.
- 2.2 Following the outcome of the referendum on 7th October, Council is asked to approve the resolution required to change the Council's governance model from Executive Leader and Cabinet to Mayor and Cabinet.

3. BACKGROUND

- 3.1 An Extraordinary Council Meeting on 8th February 2021 agreed that a referendum be held on 7th October 2021 to allow local electors to decide upon the future governance arrangements of the Council.
- 3.2 On 5th July 2021, Council agreed the Notice of proposals relating to the referendum which were published on 15th July. The notice appears at Appendix 1.
- 3.3 On 7th October 2021 a referendum was held in which voters were able to choose from the following options:
 - A. The current model of the Executive Leader and Cabinet ('the Leader and Cabinet Model') OR
 - B. The Mayor and Cabinet Model ('the Mayoral Model').
- 3.4 The outcome of the referendum was 47,165 votes for the directly elected mayor model and 11,519 votes for the Leader and Cabinet model: there was therefore a majority in favour of change to the Mayor and Cabinet model. There was a 21% turnout.
- 3.5 The Local Government Act 2000 requires that, where a change of governance has been approved through a referendum, the council must pass a resolution at a meeting specially convened for the purpose to effect that change.

4. THE PROPOSAL

- 4.1 Council is asked to approve the recommendation set out in the Notice of 15th July 2021, as the majority of the votes cast in the referendum were in favour of the Council's operating arrangements differing from its existing arrangements.
- 4.2 Proposals will be brought forward in due course in relation to detailed constitutional changes, amendments required to the Scheme of Members' Allowances and other relevant matters.

5. CONSULTATION

- 5.1 The proposals contained within this report are designed to put into effect the outcome of a borough-wide referendum on the Council's governance model.

6 FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

- 6.1 Although a one-off approved budget has been provided in 2021/22 for the costs of holding the Referendum, the costs of holding future mayoral elections have

no budget provision, represent an additional financial pressure and will need to be factored into the Medium Term Financial Strategy (MTFS). There may be additional costs relating to Members' allowances and support costs for the new Mayor which will need to be identified at the relevant time and factored into the MTFS.

Approved by: Matt Davis, Interim Deputy s151 Officer

7. LEGAL CONSIDERATIONS

- 7.1 This report seeks to note the results of the referendum along with approving the Council's proposals set out in its 'Detailed Notice of Proposals' dated 15th July 2021 in accordance with sections 9MA and 9MB of the Local Government Act 2000. A further report will be brought to Council setting out the transitional arrangements.
- 7.2 The referendum was carried out in accordance to the Local Government Act 2000 ('2000 Act) and the Local Authorities (Conduct of Referendums) (England) Regulations 2012 ('Referendum Regulations').
- 7.3 The Local Authorities (Elected Mayors) (Elections, Terms of Office and Casual Vacancies) (England) Regulations 2012 ('Elected Mayor Regulations') set out the date when the first election should take place, the length of time the directly elected mayor will remain in office along with when they actually come into office, which is the fourth day after the election at which he or she was elected.
- 7.4 The first election for a directly elected mayor in Croydon must be combined with the Council elections on 5th May 2022. The first directly elected mayor would hold office until May 2026 and terms of office thereafter will be four years, coinciding with election of councillors.

Approved by: Sandra Herbert, Head of Litigation and Corporate Law on behalf of Doutimi Aseh, Interim Director of Law and Governance.

8. HUMAN RESOURCES IMPACT

- 8.1 There are no immediate workforce implications raised by this report.

Approved by: Debbie Calliste, Head of HR for Health Wellbeing and Adults and Children Families and Education.

9. EQUALITIES IMPACT

- 9.1 There are no equalities implications under s149 of the Equality Act 2010 arising from any change in governance arrangements for the Council.

Approved by: Gavin Handford, Director Policy and Partnership.

10. DATA PROTECTION IMPLICATIONS

WILL THE SUBJECT OF THE REPORT INVOLVE THE PROCESSING OF 'PERSONAL DATA'?

- 10.1 The conduct of the referendum will not involve the processing of personal data over and above processing which takes place as part of the administration of elections and subject to existing policies and procedures.

Approved by: Doutimi Aseh, Interim Deputy Monitoring Officer

CONTACT OFFICER: Heather Wills, Governance Improvement Adviser;
heather.wills@croydon.gov.uk

APPENDICES TO THIS REPORT:

Appendix 1: Notice of proposals published 15 July 2021.

BACKGROUND PAPERS: None

Appendix 1 - DETAILED NOTICE OF PROPOSALS

On Thursday 7th October 2021, Croydon voters are being asked to choose how they think the borough should be governed in future, following a decision made by councillors at the Emergency Council meeting (ECM) on 8th February 2021.

The Council currently operates with an Executive Leader and Cabinet model of governance.

The ECM passed a resolution, in accordance with Section 9MA of the Local Government Act 2000 (as amended), to hold a referendum asking voters in Croydon whether they wished to change the Council's governance arrangements. Minutes of that meeting can be found here:

<https://democracy.croydon.gov.uk/documents/s27198/ECM%20Report.pdf> or by clicking on [this link](#).

The law states that councils can only offer two options in the referendum (one of which must be the existing model). The alternative option will be the Mayor and Cabinet model (the 'Mayoral model').

Main features/ differences between the Leader/ Cabinet and Mayor/ Cabinet models:

Both models are set up in a similar way and are 'Executive' forms of governance.

This refers to the model of governance whereby meetings of the full Council agree the budget and council tax whilst an Executive has oversight of most day to day policy and decision making.

The Executive meet together as the 'Cabinet' but may also establish sub-committees on specific subjects or take decisions individually if such delegations have been established.

Council will then appoint Committees to be responsible for certain services including planning, licensing, scrutiny, audit and standards which, by law, cannot be the responsibility of the Executive.

The main difference between the two versions is that a Leader is selected from amongst the Councillors, whilst the Mayor is an additional elected representative, chosen directly by all electors.

This also means that a Mayor can normally only be replaced by local electors at the next local elections once every four years. A Leader could be replaced by a vote at Council should they no longer have the support of Councillors.

The other standard Executive arrangements would not change except that the Mayor replaced the Leader, such as:

1. The Mayor would select a Cabinet of between two and nine Members
2. The Mayor would present a budget to the Council

3. The Mayor and Cabinet would have oversight of the majority of the Council's day to day services

In both models the Council would appoint Committees to be responsible for certain services including planning, licensing, scrutiny, audit and ethics.

Further detailed decision-making arrangements can be set up under either model, such as having decision-making by individual Cabinet Members. There are no proposals to change other arrangements such as to introduce individual Cabinet Member decision-making but these could be amended at any time by an incoming administration.

What happens if a majority of voters agree to a change?

If a majority of voters agree to a change then the Council will continue to operate under the Leader/ Cabinet model until the local elections in May 2022, at which point the Council will move to the Mayor/ Cabinet model.

If a change is agreed by voters, the result of the referendum is binding. Any further change of this kind could only take place at least ten years after the date of the first **referendum**.

A report will be presented to the first Council meeting following the referendum setting out the proposed transition arrangements and seeking approval for the necessary changes required to the Council's constitutional arrangements.

What happens if a majority of voters do not agree to a change?

If a majority of voters do not agree to a change then the May 2022 local elections will be run on the current Leader and Cabinet model.

If a change is not agreed by voters, the result of the referendum is binding. Any further change of this kind could only take place at least ten years after the date of the first **referendum**.

The referendum details

The poll for the Referendum will be held on Thursday 7th October 2021 between the hours of 7am and 10pm.

Anyone eligible to vote in local elections will be entitled to vote in the referendum.

The question to be asked at the poll will be:

How would you like the London Borough of Croydon to be run?

By a leader who is an elected councillor chosen by a vote of the other elected councillors. This is how the council is run now.

Or

By a mayor who is elected by voters. This would be a change from how the council is run now.

The referendum will be conducted in accordance with the rules for local elections.

The referendum expenses limit for campaign organisers promoting a particular outcome is the aggregate of £2,362 plus the amount found by multiplying by 5.9 pence the number of entries in the Council's electoral register in effect on the day on which the Notice of Proposals is published (Thursday 15th July). There are 278,337 registered electors on the date of publication and therefore the expenses limit is **£18,783**.

Copies for Inspection

A copy of these proposals may be inspected by appointment at the Croydon Town Hall, Katherine Street, Croydon, CR0 1NX, during normal office working hours (9am to 5pm). Contact seth.alker@croydon.gov.uk (Tel 020 8604 7469) to make an appointment.

The proposals are also published on the Council's website at
or on the Council's website at www.croydon.gov.uk/council-and-elections/voting-and-elections/referendum-directly-elected-mayor-croydon.