



**Executive Mayor Jason Perry**  
London Borough of Croydon  
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**The Right Honourable Angela Rayner MP**

Secretary of State for Housing, Communities and Local Government  
House of Commons  
London  
SW1A 0AA

Wednesday 25<sup>th</sup> June 2025

Dear Secretary of State

I am writing in response to your department's recent announcement that you are "minded to" appoint commissioners to Croydon Council owing to our financial situation. Whilst we fully acknowledge the challenges the Council has faced, I must express serious concern that this announcement does not adequately take into consideration the substantial progress we have made, the difficult decisions we have already implemented, nor provide any solution for restoring financial sustainability.

Since 2020, Croydon Council has delivered savings of £167 million, with an additional £50 million planned for this financial year. We have generated over £210 million in capital receipts, with a further £68 million of sales planned. In 2023, we made the unprecedented and politically difficult decision to raise Council Tax by 14.99%, 10% above the cap, directly responding to the Improvement and Assurance Panel's (IAP) recommendation to close the financial gap.

We have also launched a fully funded four-year transformation programme aimed at reducing the operating costs and placing the Council on a sustainable long-term footing. These actions reflect the seriousness with which we have approached our financial responsibilities and our commitment to protecting local services and our residents. The recently agreed Stabilisation Plan now looks to deliver this work harder and faster generating a further £27.3million savings over the next year.

Since October 2022, and since the IAP's exit strategy was published, it has been the accepted position that the full solution to restoring financial sustainability to our budget lies outside of the Council's control, rather than the Council is incapable of tackling and controlling its finances.

The IAP have full powers of direction, but at no point have the IAP or the Department issued formal instruction directing the Council to take further steps. The Council has implemented every piece of advice and guidance given by the IAP. This absence of intervention must be viewed as tacit recognition that we have been doing everything possible within the framework provided.



You reference the Local Government Association (LGA) Corporate Peer Challenge which recognises the strides that this authority has made to rectify the financial and governance irregularities of the past. It, therefore, seems puzzling that the Peer Challenge could be regarded as an indication that commissioners are required.

The decision to consider commissioner intervention now, despite the improvements delivered, risks undermining the local leadership and staff who have worked tirelessly under immense pressure. It also risks disregarding the efforts of a Council that has been transparent, cooperative, and proactive throughout its recovery journey.

The Government's position appears to be based on the IAP's final letter, dated the 25<sup>th</sup> April 2025. Croydon Council disputes several of its conclusions and has raised formal concerns with the Department regarding its content and compliance with statutory guidance. I attach copies of this letter and annex that have been sent for your consideration.

You will see the Council is recommending a best value review in light of the omissions in the advice to you from the IAP, in order to develop a sustainable path to balancing the Council's finances.

You will also recall that I wrote to you on the 1<sup>st</sup> May, following the IAP's letter, to propose a new way of working going forward. Namely, an independent financial assessment, the establishment of an external assurance board, and the maintenance and strengthening of existing financial assurance mechanisms, through bodies such as the LGA.

It is clear that you are working hard to reset the relationship between central and local government, and I welcome the opportunity this presents for a more constructive and collaborative approach. It is in that spirit that I hope we can continue to build mutual trust and shared purpose, grounded in the progress Croydon has made and our commitment to continued improvement.

I urge you to reconsider the proposed course of action in light of the facts presented and to continue working constructively with the Council and its leadership to deliver for the people of Croydon.

As the elected Mayor of Croydon, my Administration has always put the needs of Croydon residents first and will continue to do so. I will not standby and allow the decimation of our home borough because of the past actions of the reckless few.

Yours sincerely

**Mayor Jason Perry**  
**Executive Mayor of Croydon**

*Encs: Letter and Annex from Katherine Kerswell, London Borough of Croydon to James Blythe, Ministry of Housing, Communities and Local Government.*