

To Croydon Cabinet Members:

Councillor Tony Newman, Leader of the Council
Councillor Alison Butler, Deputy Leader (Statutory) and Cabinet Member for Homes, Regeneration & Planning
Councillor Stuart Collins, Deputy Leader and Cabinet Member for Clean, Green, Croydon
Councillor Mark Watson, Cabinet Member for Economy and Jobs
Councillor Alisa Flemming, Cabinet Member for Children, Young People & Learning
Councillor Hamida Ali, Cabinet Member for Communities, Safety and Justice
Councillor Stuart King, Cabinet Member for Transport and Environment
Councillor Simon Hall, Cabinet Member for Finance and Treasury
Councillor Timothy Godfrey, Cabinet Member for Culture, Leisure and Sport
Councillor Louisa Woodley, Cabinet Member for Families, Health and Social Care

Invited participants: All other Members of the Council

A meeting of the **CABINET** which you are hereby summoned to attend, will be held on **11 JULY 2016 at 6.30PM in THE COUNCIL CHAMBER**, The Town Hall, Katharine Street, Croydon, CR0 1NX.

GABRIEL MacGREGOR
Acting Council Solicitor and Acting
Monitoring Officer
Bernard Weatherill House, 8 Mint Walk,
Croydon CR0 1EA

JIM SIMPSON
Democratic services manager
Tel.020 8726 6000 Ext.62326
1 July 2016

Members of the public are welcome to attend this meeting. If you require any assistance, please contact Jim Simpson as detailed above. The meeting webcast can be viewed here: <http://www.croydon.public-i.tv/core/portal/home>

The agenda papers are available on the Council website www.croydon.gov.uk

Group Meetings at 5.45 p.m. as follows:

Cabinet – Room F9, Town Hall

Shadow Cabinet – Room 2.20, Town Hall

AGENDA - PART A

- 1. Part A Minutes of the Cabinet meeting held on 20 June 2016 (page 1)**
- 2. Apologies for Absence**
- 3. Disclosure of Interest**

In accordance with the Council's Code of Conduct and the statutory provisions of the Localism Act, Members and co-opted Members of the Council are reminded that it is a requirement to register disclosable pecuniary interests (DPIs) and gifts and hospitality in excess of £50. In addition, Members and co-opted Members are reminded that unless their disclosable pecuniary interest is registered on the register of interests or is the subject of a pending notification to the Monitoring Officer, they are required to disclose those disclosable pecuniary interests at the meeting. This should be done by completing the Disclosure of Interest form (copies will be available at the meeting) and handing it to the Business Manager at the start of the meeting. The Chair will then invite Members to make their disclosure orally at the commencement of Agenda item 3. Completed disclosure forms will be provided to the Monitoring Officer for inclusion on the Register of Members' Interests

4. Urgent Business (If any)

To receive notice from the Chair of any business not on the agenda which should, by reason of special circumstances, be considered as a matter of urgency (the Chair's decision on such matters is final).

5. Exempt Items

To confirm the allocation of business between Part A and Part B of the agenda.

COUNCILLOR TONY NEWMAN, LEADER OF THE COUNCIL

- 6. Implications for the Council of the referendum vote to leave the European Union (page 11)**
Officers: Jo Negrini, John Montes
Key decision: no

CABINET MEMBER: COUNCILLOR ALISON BUTLER

- 7. Croydon Local Plan:**
 - 7.1 Strategic Policies – Partial Review (proposed submission) (page 21)**
 - 7.2 Detailed Policies and Proposals (preferred and alternative options) (page 41)**Officers: Jo Negrini, Heather Cheesbrough
Key decision: no, reserved to Council

CABINET MEMBER: COUNCILLOR ALISON BUTLER

- 8. Growth Zone – Overview and Financial Arrangements for Repayment** (page 85)
Officers: Jo Negrini, Heather Cheesbrough
Key decision: yes

CABINET MEMBERS: COUNCILLORS TONY NEWMAN, SIMON HALL & ALISON BUTLER

- 9. July Financial Review** (page 99)
Officers: Richard Simpson, Lisa Taylor
Key decision: no

CABINET MEMBER: COUNCILLOR MARK WATSON

- 10. The Council’s financial position in relation to Business Improvement Districts (BIDs) and recommendation on new BID applications and BID renewal processes** (page 127)
Officers: Jo Negrini, Stephen Tate
Key decision: yes

CABINET MEMBER: COUNCILLOR ALISA FLEMMING

- 11. Implications of National Education Policy for Local Practice** (page 137)
Officers: Paul Greenhalgh, Jane Doyle
Key decision: no
- 12. Education Estates – School Places** (page 149)
Officers: Paul Greenhalgh, Jane Doyle
Key decision: no

ALL CABINET MEMBERS

- 13. Corporate Plan end of year performance review – April 2015 to March 2016** (page 177)
Officers: Jo Negrini, Sarah Ireland, Caroline Bruce
Key decision: no

CABINET MEMBERS: COUNCILLORS STUART COLLINS AND SIMON HALL

- 14. South London Waste Partnership (“The Partnership”) – Procurement of joint Waste collection and Related Environmental Services** (page 237)
Officers: Jo Negrini, Steve Iles, Tom Lawrence
Key decision: yes

CABINET MEMBER: COUNCILLOR HAMIDA ALI

15. **Welfare reforms & future roll out of universal credit** (page 253)
Officers: Paul Greenhalgh, Mark Fowler
Key decision: yes

CABINET MEMBER: COUNCILLOR SIMON HALL

16. **Investing in our Borough**

CABINET MEMBER: COUNCILLOR SIMON HALL

16.1: Investing in our Borough (page 285)

Officers: Sarah Ireland, Genine Whitehorne

Key decision: no

CABINET MEMBER: COUNCILLOR SIMON HALL

16.2: Contract Award for a Managed Service Provider for Temporary Agency Resources (page 291)

Officers: Sarah Ireland, Genine Whitehorne

Key decision: yes

17. **The following motion is to be moved and seconded as the “camera resolution” where it is proposed to move into Part B of the meeting**

That under Section 100A(4) of the Local Government Act, 1972, the press and public be excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information falling within those paragraphs indicated in Part 1 of Schedule 12A of the Local Government Act 1972, as amended.

AGENDA – PART B

CABINET MEMBERS: COUNCILLORS STUART COLLINS AND SIMON HALL

- B1. **South London Waste Partnership (“The Partnership”) – Procurement of joint Waste collection and Related Environmental Services (report exempt under paragraph 3)**
Officers: Jo Negrini, Steve Iles, Tom Lawrence
Key decision: yes

CABINET

**Meeting held on Monday 20 June 2016 at 6.30 p.m. in the
Council Chamber, the Town Hall, Katharine Street, Croydon, CR0 1NX**

MINUTES - PART A

Present:

Councillor Tony Newman, Leader of the Council;
Councillor Alison Butler, Deputy Leader (Statutory);
Councillor Stuart Collins, Deputy Leader;
Councillors Hamida Ali, Alisa Flemming, Timothy Godfrey,
Simon Hall, Stuart King, Mark Watson and Louisa Woodley.

Other Majority Group Members in attendance:

Councillors Audsley, Bonner, Canning, B. Khan, S. Khan, Mansell,
Prince, Ryan, Selva, Shahul-Hameed and Wood.

Shadow Cabinet Members in attendance:

Councillors Bashford, Cummings, Gatland, Hopley, O'Connell,
H. Pollard, T. Pollard. Councillor Chatterjee deputised for Councillor
Hale.

Other Minority Group Members in attendance:

Councillors Brew, Buttinger and Creatura.

Guests present for agenda item 7 - Digital Inclusion

Arthur Roche – attended and spoke
Nahid Saif (Lloyds Bank) - attended and spoke
Natasha Searle (Accenture) – attended
Evelyn Findlater (Chief Executive, Good Food Matters) –
attended and spoke
Amanda McGrath (Project Manager, Good Food Matters) –
attended and spoke

Absent: Cabinet: none

Apologies: Apologies for absence were received from Councillors Fitzsimons,
Hale, Perry and Thomas.

Note: The meeting webcast can be accessed [here](#)

A52/16 Part A Minutes of the Cabinet Meeting held on 25 April 2016

The Part A minutes of the Cabinet meeting held on 25 April 2016 were received. The Leader of the Council signed the minutes as a correct record.

A53/16 Disclosures of Interest

There were no disclosures of interest.

A54/16 Urgent Business

Minute Silence

In view of the recent awful events; the murder of Jo Cox, MP for Batley & Spen, on 16 June, an attack on democracy, and the 49 people slain in mass shootings in a nightclub in Orlando Florida on 18 June, the Leader of the Council asked everyone present to stand for a minute silence in respect to those who lost their lives.

A55/16 Exempt Items

RESOLVED that the allocation of business in the agenda be confirmed, as printed.

A56/16 Working with the New Mayor of London

NOTED: that the Leader of the Council had delegated to the Cabinet the power to make the decisions set out below:

RESOLVED to note

The new Mayor's manifesto priorities, their alignment with the Council's current work, and opportunities for working with the Mayor and the GLA (Greater London Authority) to achieve Council priorities.

A57/16 Digital Inclusion

This agenda item included a short video presentation which is available on the meeting webcast.

NOTED: that the Leader of the Council had delegated to the Cabinet the power to make the decisions set out below:

RESOLVED to endorse the approach and proposed next steps as detailed in this report.

A58/16 Brick by Brick Croydon Limited – Property and Financing

NOTED: that the Leader of the Council had delegated to the Cabinet the power to make the decisions set out below:

RESOLVED to

1. Agree that the sites listed in Appendix A of the Part B agenda paper (item B1) be disposed to Brick by Brick Croydon Limited subject to satisfactory terms and conditions being reached to the satisfaction of the Assistant Chief Executive (Corporate Resources and Section 151 officer) acting in consultation with the Cabinet Members for Homes and Planning and Finance and Treasury, and that the scope of this delegation includes whether to dispose of the site by freehold or by way of long leasehold but in line with the indicative terms of proposal set out in agenda item B1.

2. Agree that the Council lend Brick by Brick Croydon Limited funding to progress the development of the sites and that such funding will include funding for professional services to be received by Brick by Brick, funding for construction costs ('development finance') and funding for working capital and that the Assistant Chief Executive (Corporate Resources and Section 151 officer) be given delegated authority to finalise and agree the terms of such lending acting in consultation with the Cabinet Member for Finance and Treasury.

3. Agree that, where considered necessary by officers, and subject to the consideration of any objections by the Assistant Chief Executive (Corporate Resources and Section 151 officer) acting in consultation with the Cabinet Member for Finance and Resources, that the sites listed in Appendix A be appropriated for planning purposes pursuant the Council's powers under section 122 of the Local Government Act 1972 and/or under section 226 of the Town and Country Planning Act or such other relevant statutory powers as may be relevant in each case, prior to their disposal to Brick by Brick.

4. Note the governance and monitoring processes set out in this report.

A59/16 Croydon's Community Strategy 2016-21

Cllr Hamida Ali, Cabinet Member for Communities, Safety and Justice gave a presentation at the start of this agenda item, which can be viewed on the meeting webcast.

NOTED: that the Leader of the Council had delegated to the Cabinet the power to make the decisions set out below:

RESOLVED, having considered the results from the equality analysis at Appendix 2 to the report that has informed the

development of Croydon's draft Community Strategy 2016-21 ("the Community Strategy"), to:

1. Agree the draft Community Strategy 2016-21, Appendix 1 to this report (circulated separately), and recommend its adoption by Full Council;
2. Recommend that the Local Strategic Partnership adopt the Community Strategy for delivery over the period 2016-21;
3. Note that prior to its submission to Full Council for adoption the Leader of the Council may agree further changes to Croydon's draft Community Strategy, including any that may arise from further feedback from Croydon's Local Strategic Partnership;
4. Endorse the proposed outcomes of the Stronger Communities Partnership Board listed in Section 8 of the report.

A60/16 Towards a Cultural Programme for Croydon

NOTED: that the Leader of the Council had delegated to the Cabinet the power to make the decisions set out below:

RESOLVED to

1. endorse and agree the principles for a cultural programme for Croydon and note this as a step towards the development of a full Cultural Strategy for Croydon within the next 12 months which will then be reported to Cabinet for approval.
2. note the update on the development of Fairfield Halls;
Delegate to the Executive Director Place, in consultation with the Cabinet Member Culture, Leisure and Sports and the Cabinet Member for Finance and Treasury, authority to approve any subsequent procurement strategy related to culture required to deliver the ambitions set out in this report.

A61/16 Live Well Croydon Programme

This agenda item included a short video presentation which is available on the meeting webcast.

NOTED: that the Leader of the Council had delegated to the Cabinet the power to make the decisions set out below:

RESOLVED to

Approve the direction of the Live Well Croydon Programme's, and specifically to approve:

1. Development and launch of the online digital platform, 'Just Be...'
2. Development of an in house integrated lifestyle service, known as 'MI Change' that will offer an evidence-based 12 week behaviour change service.

A62/16 The Future Delivery of CALAT

NOTED: that the Leader of the Council had delegated to the Cabinet the power to make the decisions set out below:

RESOLVED, having considered the options set out in the report, to agree in principle that the provision of adult and community learning currently provided through CALAT should be commissioned by the Council from an external provider with a view to commencing these arrangements in September 2017.

A63/16 Stage 2: Response to Scrutiny Recommendations arising from: Children and Young People's Scrutiny Sub-Committee Meeting on 14 July 2015; Streets and Environment Scrutiny Sub-Committee meeting on 2 February and 1 March 2016; Scrutiny and Overview Committee meeting on 16 February 2016

Note: Councillor Carole Bonner deputised for the Chair of Scrutiny & Overview Committee, Councillor Sean Fitzsimons, for this agenda item.

NOTED: that the Leader of the Council had delegated to the Cabinet the power to make the decisions set out below:

RESOLVED to approve the response reports and action plans attached at Appendix A and Appendix B to the report, and agree that these be reported to the relevant Scrutiny and Overview Committee at its meeting on 28 June 2016.

A64/16 Stage 1: Scrutiny Recommendations arising from Scrutiny and Overview Committee meeting on 12 April 2016

Note: Councillor Carole Bonner deputised for the Chair of Scrutiny & Overview Committee, Councillor Sean Fitzsimons, for this agenda item.

NOTED: that the Leader of the Council had delegated to the Cabinet the power to make the decisions set out below:

RESOLVED to receive the recommendations arising from the meeting of the Scrutiny and Overview Committee (12 April 2016) and to provide a substantive response within two months (ie. at the next available Cabinet meeting on 19 September 2016).

A65/16

Investing in our Borough
Agenda item 15.1 Investing in our Borough

NOTED: that the Leader of the Council had delegated to the Cabinet the power to make the decisions set out below:

RESOLVED

1. The contracts over £500,000 in value anticipated to be awarded by the nominated Cabinet Member, in consultation with the Cabinet Member for Finance and Treasury or, where the nominated Cabinet Member is the Cabinet Member for Finance and Treasury, in consultation with the Leader.
2. The list of delegated award decisions made by the Director of Strategy Communities and Commissioning, between 24/03/2016 – 18/05/2016.
3. Contract awards recommended to the Cabinet for approval which are the subject of a separate agenda item and referenced in section 4.3 of the report.

Agenda item 15.2: 2015/16 Primary School Expansion Programme Main Construction Works for:
Heathfield Academy at Aberdeen Road New 2FE School
West Thornton Academy at Canterbury Mills New 2FE School

NOTED: that the Leader of the Council had delegated to the Cabinet the power to make the decisions set out below:

RESOLVED:

1. to note that in order to effectively deliver the Primary School Expansion for West Thornton & Heathfield Academies, the Leader of the Council will be asked to agree the following delegations associated with the award of contracts to Willmott Dixon Construction Ltd (Ref: 42.16.LR):

1.1 In respect of subsequent associated contracts valued above £500,000 up to the value of £5m authority to award is delegated to the Executive Director Place, in consultation with the Cabinet Member for Children, Young People and Learning and the Cabinet Member for Finance and Treasury;

1.2. In respect of subsequent associated contracts valued above £5m authority to award is delegated to the Assistant Chief Executive Corporate Resources and Section 151 Officer, in

consultation with the Cabinet Member for Children, Young People and Learning and the Cabinet Member for Finance and Treasury;

1.3. Subject to the decision maker being satisfied that the council has received satisfactory proposals from Willmott Dixon Construction Ltd on Time, Cost and Quality, that the above delegations include any subsequent contract approvals and decisions relating to:

- the Main Build NEC3 Contract;
- associated Enabling Works Contracts;
- and any early orders which may be necessary to secure production slots
- any requirement for additional temporary accommodation

1.4. That any awards made under these delegations will be reported within the Investing in Our Borough report at the Cabinet meeting following any award.

2. To note that contract awards anticipated under these delegations and associated with the Primary School Expansion for West Thornton & Heathfield Academies are expected not to exceed a maximum value of £20.071m. This total potential commitment of £20.071m represents the construction budgets allocated from the Schools Expansion Budget for these two new schools of £23.096m.

Agenda item 15.3 Award of Independent Fostering Agencies Framework

NOTED: that the Leader of the Council had delegated to the Cabinet the power to make the decisions set out below:

RESOLVED to

1. Approve the establishment of a framework agreement for the delivery of independent fostering placements for looked after children and the appointment of the providers to the Lot 1 Standard Placements, Lot 2 Sub-lots Specialist Placements (and their respective Reserve Lists) detailed in the associated Part B report on the Cabinet meeting agenda for a term for a term of three (3) years with an option to extend for a further one (1) year;

2. Note that the names of the successful providers will be released once the appointments to the framework have been agreed and implemented.

A66/16 Camera Resolution

The motion to move the camera resolution was proposed by Councillor Tony Newman and seconded by Councillor Simon Hall

RESOLVED under Section 100A(4) of the Local Government Act, 1972, that the press and public be excluded from the meeting for the following item of business on the grounds that it involves the

likely disclosure of exempt information falling within those paragraphs indicated in Part 1 of Schedule 12A of the Local Government Act 1972, as amended.

**A67/16 Brick by Brick Croydon Limited – Property and Financing
(in camera report exempt under paragraph 3)**

NOTED: that the Leader of the Council had delegated to the Cabinet the power to make the decisions set out below:

RESOLVED to

1.1 Agree that the sites listed in Appendix A of the report (agenda item B1) be disposed to Brick by Brick Croydon Limited subject to satisfactory terms and conditions being reached to the satisfaction of the Assistant Chief Executive (Corporate Resources and Section 151 officer) acting in consultation with the Cabinet Members for Homes and Planning and Finance and Treasury, and that the scope of this delegation includes whether to dispose the site by freehold or by way of long leasehold but in line with the indicative terms of proposal set out in the report (agenda item B1).

1.2 Agree that the Council lend Brick by Brick Croydon Limited funding to progress the development of the sites and that such funding will include funding for professional services to be received by Brick by Brick, funding for construction costs ('development finance') and funding for working capital and that the Assistant Chief Executive (Corporate Resources and Section 151 officer) be given delegated authority to finalise and agree the terms of such lending acting in consultation with the Cabinet Member for Finance and Treasury.

1.3 Agree that, where considered necessary by officers, and subject to the consideration of any objections by the Assistant Chief Executive (Corporate Resources and Section 151 officer) acting in consultation with the Cabinet Member for Finance and Resources, that the Sites listed in Appendix A be appropriated for planning purposes pursuant the Council's powers under section 122 of the Local Government Act 1972 and/or under section 226 of the Town and Country Planning Act or such other relevant statutory powers as may be relevant in each case, prior to their disposal to Brick by Brick.

1.4 Note the governance and monitoring processes set out in this report.

**A68/16 Award of Independent Fostering Agencies Framework
(in camera - report exempt under paragraph 3)**

NOTED: that the Leader of the Council had delegated to the Cabinet the power to make the decisions set out below:

RESOLVED:

1. to approve the establishment of a framework agreement for the delivery of independent fostering placements for looked after children and the appointment of the providers to the Lot 1 Standard Placements, Lot 2 Sub-lots Specialist Placements (and their respective Reserve Lists) in the report for a term for a term of three (3) years with an option to extend for a further one (1) year .

2. to note that the names of the successful providers will be released once the appointments to the framework have been agreed and implemented.

PART B MINUTES – none

The meeting ended at 8.20pm

REPORT TO:	CABINET 11 JULY 2016
AGENDA ITEM:	6
SUBJECT:	Implications for the Council of the referendum vote to leave the European Union
LEAD OFFICER:	John Montes, Senior Strategy Officer
CABINET MEMBER:	Tony Newman, Leader of the Council
WARDS:	ALL
CORPORATE PRIORITY/POLICY CONTEXT/AMBITIOUS FOR CROYDON:	
<p>The referendum decision that the United Kingdom should leave the European Union has major implications for local authorities in terms of their budgets, local economies, regulatory framework and community cohesion. This report sets out the measures to safeguard the Council's ability to deliver its plans for growth, independence and liveability, and to drive fairness for all communities, people and places.</p>	
FINANCIAL IMPACT	
<p>There are no immediate direct financial implications from the recommendations in this report. However the report does set out a number of key areas of financial risk for the council which will be monitored over the coming months.</p>	
KEY DECISION REFERENCE NO.: This is not a key decision	

The Leader of the Council has delegated to the Cabinet the power to make the decisions set out in the recommendations below

1. RECOMMENDATIONS

The Cabinet is recommended to:

- 1.1 Endorse the statement that citizens of the European Union are welcome in Croydon; the Council values the enormous contribution they make through working, paying taxes, and taking part in civic and cultural life. Croydon is an open society and is proud of its diversity;
- 1.2 Note that the Council and its partners will be vigilant in identifying any hate crime and will not hesitate to take vigorous action against the perpetrators;
- 1.3 Endorse the statement that Croydon is open for business and that plans are in place to safeguard our growth plans that will bring opportunities for local business and jobs for local people;
- 1.4 Note the Council's plans to monitor developments over the coming months and take action to mitigate any threats posed by the vote to leave the European Union.

2. EXECUTIVE SUMMARY

- 2.1 The referendum on Thursday, 23 June 2016 resulted in a decision that the United Kingdom should leave the European Union (EU). This outcome has major implications for local authorities in terms of their budgets, local economies, regulatory framework, community cohesion and the prospects of further devolution.
- 2.2 In response to the referendum result, the Mayor of London said that London will continue to be the best place in the world to do business and will continue to look outwards and trade and engage with the entire world, including the EU. He highlighted the responsibility of all to seek to heal the divisions that have emerged during the campaign and in particular reassured Europeans living in London that they are welcome here and that the enormous contribution that they make to London – in work, civic and cultural life – is valued and will not change.
- 2.3 The Council welcomes the Mayor's statement and endorses it. Croydon is an inclusive borough, proud of the diversity in our society and value the contribution that all communities make. We will continue to work to strengthen community cohesion in Croydon and will not hesitate to employ the full powers of the Council with our partners to tackle any hate crime that should occur.
- 2.4 Croydon remains open for business and has plans in place to take the necessary action to ensure that our growth plans remain on course and offer opportunities for businesses and jobs for our residents.
- 2.5 The full implications of the vote to leave the EU will become clearer over time. Three broad phases of reaction to the decision to leave the EU are expected:
- Initial volatility
 - Medium term uncertainty
 - Longer term transition.
- 2.6 The Council is monitoring developments and planning measures to safeguard the prosperity of Croydon and community cohesion in the borough, mitigating risks and considering new mid- to long-term opportunities. It is preparing for any potential further local government cuts following the government's Autumn Statement 2016.

3. DETAIL

3.1 Community Cohesion

- 3.1.1 Croydon is a diverse borough, a quality that brings great social, economic and cultural benefits and has long been recognised as one of our key strengths. Croydon is a place with a long tradition of celebrating the differences within our community. All communities living in Croydon, including EU citizens, are welcome here. The enormous contribution they make to the borough by working hard, paying taxes, and participating in Croydon's civic and cultural life is valued.

3.1.2 There is a risk that some people who hold divisive views may believe that the referendum vote to leave the EU gives them licence to share these views more widely and commit hate crimes. The Council calls on its partners and the wider community to join it in seeking to heal the divisions that have emerged during the referendum campaign. The Council and its partners will remain vigilant and vigorously tackle hate crime.

3.1.3 At this time of uncertainty, the Council will take the following actions with its partners to promote community cohesion, tackle hate crime and reduce extremism:

- The Council, its partners and the wider community will demonstrate our collective commitment in the borough to living and working together and ensure that EU citizens living in Croydon know that they continue to be welcome here and that the enormous contribution to life in Croydon is valued.
- Croydon's Stronger Communities Plan 2016-19, to be adopted by the Stronger Communities Partnership in July 2016, will aim to ensure that 'Croydon is a place where people from different backgrounds get on well together'. It will include the following priorities:
 - Work together to advance equality and inclusion
 - Encourage a range of social and cultural street and neighbourhood activities especially those that are community-led and delivered
 - Publish information that promotes community cohesion and dispels myths
 - Develop a programme of social and cultural activity that promotes community integration.
- A Community Cohesion sub-group of the Stronger Communities Partnership Board will monitor and seek to increase levels of community cohesion.
- The Council will enable activity that supports community cohesion through providing funding opportunities such as Croydon Community Grants (of up to £5,000 to support the outcomes and objectives of Croydon's Community Strategy, the Council's Corporate Plan and the recommendations of Croydon's Opportunity and Fairness Commission) and Community Ward budgets of £6,000 per ward for spending on locally set community priorities.
- CCTV and the Intelligence Hub will continue to be used to monitor suspicious individuals and share intelligence between all agencies to reduce the risk of crime and anti-social behaviour in Croydon
- The Council will work in close partnership with the Police to prosecute all perpetrators of hate crime
- The Graffiti Removal Service removes all graffiti that is racist or offensive within 48 hours of reporting

- Prevent training sessions will be run for all partner agency staff (Prevent is the Government's Anti-Terrorism Strategy); over 100 training sessions have been completed in the past 6 months.

3.2 Economy

- 3.2.1. The fall in Sterling, downgrading of the UK's sovereign credit rating, prolonged equity market volatility and a fall in bond values threatened by possible further Quantitative Easing, are all significant challenges both for the economy and the Council.
- 3.2.2 London Councils has called for the Mayor and boroughs to work closely together to sustain the growth and success of London in the post referendum environment. The Mayor of London is pressing the Government to ensure that remaining in the single market is the cornerstone of negotiations with the EU.

3.3 Development in Croydon

3.3.1 At this stage, considering the unprecedented volatility in a variety of economic inputs into the development process, it is difficult to predict the specific impact on development in Croydon with any certainty. Officers are monitoring the market closely, both in Croydon and more widely, to detect any clear pattern which may be emerging.

3.3.2 At a macro level, the areas for concern at this stage revolve around:

- **Economic confidence** delaying investment decisions by manufacturers, retailers and office occupiers. There is potential for hesitancy among occupiers which may not be fully offset by upsides (such as a cheaper currency or a delay in finance rate rises).
- **International occupiers** (particularly in London) potentially moving their operations elsewhere to benefit from single market access, leading to an impact in the commercial market. This is unlikely to occur until there is more certainty around the long term arrangements regarding trade and travel within the EU and, even then, it would be a very protracted process due to lease constraints, etc.
- **Investment sentiment** will be affected in similar ways to before the referendum, probably leading to increased yields. However, there are potential upsides arising from exit for investors such as currency revaluation and diversification of interests.
- **Development and construction** - major schemes in some markets which have not yet started on site are likely to be delayed until there is more clarity about the level of demand in the economy. Planned office development is most likely to be affected in this way, while residential development is least likely to be affected. Infrastructure and public sector development are also less likely to be affected, at least in the absence of any further public spending controls.

3.3.3 While it is possible at this stage to detect an anecdotal slowing of investment in the wider national residential market, it is likely that this is in part due to the

number of schemes which had 'Brexit' clauses built into them in order to allow a re-evaluation in the event of a leave vote. More formal market advice points towards a relatively stable environment in the short term. CBRE for instance point out that the Leave vote doesn't reduce the pent-up demand in the UK housing market, so while it is likely to be a quiet summer for new residential sales, forced sales and/or a marked negative impact on property prices are unlikely. Indeed, if developers scale back and new housing supply contracts significantly, there may even be upward pressure on prices.

3.3.4 With regard to specific major schemes in Croydon, the Council maintains a close dialogue with major developers and investors regarding their interests in Croydon. In general, their outlook for Croydon post-Brexit is positive. Specifically:

- Brick by Brick – the Brick by Brick Board reports that all work is continuing as planned at this stage. The majority of Brick by Brick sites are suburban in nature and in the lower value ranges, comparative to the rest of London. The funding model for these developments remains unaffected by the Leave vote, and the demand for these properties, comprising predominantly of owner occupiers, remains very high. For larger schemes, planned enabling work will continue and the Board will adopt a close watching brief and respond accordingly to any major changes in the market.
- Westfield/Hammerson (Whitgift) – the Croydon Limited Partnership has confirmed that it is business as usual for them, and there are no changes proposed to the Whitgift scheme arising from the decision. The Board will continue to monitor the market closely.
- Stanhope Shroder (Ruskin Square) - Ruskin Square is seeing the creation of up to 625 new homes, 1.25 million square feet of offices and 100,000 square feet of retail and restaurants on a nine acre landscaped site immediately next to East Croydon station. The development remains firmly on track with the first office due for completion by the end of this year and the first 161 apartments even sooner. They consider that the demand for new, high quality, affordable and well-connected business accommodation is likely to remain strong, as is the demand for homes for Londoner. Their strategy for this development has not changed.
- Menta (Morello) – Menta have confirmed that there are no changes to their approach on the current phase arising from the referendum decision. In keeping with the CBRE analysis, their expectation is that while the sales rate of residential units on their scheme may slow a little this will not have an impact on value. For future phases of the scheme, particularly the Morello Tower, they will continue to monitor the market closely to ensure the Croydon value context supports the development.
- LB Croydon (Taberner House) – LB Croydon are in advanced discussions with a development partner regarding the residential-led development at Taberner House and an announcement is expected very soon. The development partner has confirmed that there are no changes to their offer or development programme for the site arising from the Leave vote.

3.3.5 The Council will continue to work closely with developers and investors to enable their schemes in Croydon, in particular through the development of the

Growth Zone work which will provide the infrastructure necessary for growth and de-risk development comparative to other parts of London. Equally, officers will monitor changes in the market closely over the coming months to ensure the Council can respond quickly to protect investment in the borough.

3.4 Implications for the Council's Budget

3.4.1 The Council has been planning on the basis of the Autumn Statement 2015 and consequential four year settlement for local government, it is clear that from various announcements that there is potential that public sector spending will be reviewed as part of an Autumn Statement and this could lead to a revised settlement for local government. It is clear that funding for local government is inexorably linked to the strength of the British economy and therefore any relatively small adjustments could lead to further cuts for local government. The plan to allow councils to retain 100% of business rates by 2020, phasing out government revenue support grant, will make councils bear 100% of the risk of a reduction in business rates and feel a more immediate impact of any downturn in the economy.

3.4.2 The Council has borrowed £25.745m from the European Investment Bank for schools projects and has a facility for £102m in total, to be drawn by December 2018. The availability of these funds is not expected to be affected by leaving the EU; there is now an added uncertainty of the interest rate although we still expect it to be better value than the Public Works Loan Board. The ability of the Council to borrow a further sum in support of our regeneration programme will depend on future exit negotiations.

3.4.3 In terms of the Council's Pension Fund, our strategy of asset diversification serves to mitigate the immediate effects of financial turbulence. Nevertheless, in respect of its Treasury and pension investments the Council/pension fund will:

- Assess the risk of the investment environment having changed, the possibility being that infrastructure is the most exposed.
- Check whether the investment vehicles will work after the UK leaves the EU, for example in terms of passporting and tax transparency
- Assess how the Council can access more attractive regions and investment opportunities
- Monitor changes for the investment regulations for the Local Government Pension Scheme. Almost all the regulatory framework governing investment is based on EU law. It is unclear what legislative changes will be required after leaving the EU, but costs may well increase in respect of big euro-denominated trades.
- Review the Treasury Management policy and the level of risk the Council is prepared to accept in view of the UK's credit rating.

3.5 EU funding and Corporate Social Responsibility funding

3.5.1 £5.3bn of EU regeneration funding has been allocated to communities in England up to 2020. Since 2012 £2.856m has been awarded to Croydon in EU funding for projects, since completed, that have supported growth in the SME

sector and increased the employability of young people and the long-term unemployed.

- 3.5.2 Current EU funding opportunities include a total of £656m of EU Structural and Investment Funds available through the London Local Enterprise Partnership (LEP) and £57.4m through the Coast to Capital LEP. The Council is also directly eligible for other major European Funding Programmes for the 2014-2020 funding period. The Council has submitted a proposal under the European Regional Development Fund for a business growth programme under the London LEP with a total project value of £2m. The outcome is pending.
- 3.5.3 Generally domestically managed EU programmes have a programme period which runs to 2020. Initial indications from Government departments suggest that these funds may be secure, but this is unconfirmed. The Government has been called upon to guarantee to protect EU funding. Withdrawal of this funding would impact on achievement of the Council's priorities for skills and business growth as there would be a funding gap in respect of non-statutory Council work including economic development covering skills and business development as well as environmental sustainability.
- 3.5.4 The voluntary and community sector (VCS) will be affected by the loss of funding opportunities in the medium term. Many of the larger funding programmes receive matching funds from the European Social Fund 2014-2020 to invest in local projects tackling the root causes of poverty and promoting social inclusion. This risks undermining the Council's aim in this time of austerity to empower the VCS to bridge the gap between public services and need. Some voluntary sector organisations receive Corporate Social Responsibility (CSR) funding from business. While there is a theoretical risk that a downturn in economic activity in Croydon would result in a reduction in CSR funding for the sector, the sums involved are not large and there is no evidence to date that this will happen.

3.6 Devolution

- 3.6.1 The future of the Government's devolution agenda is unclear, but the referendum vote indicates a frustration with national politics and a debate on how to democratise Britain, inevitably involving a robust devolution agenda.
- 3.6.2 Local Government Association (LGA) and London Councils highlight the need to press for further devolution of powers to local government, to ensure the focus is not just upon the transfer of powers from the EU to Whitehall. It is argued that if services are delivered locally, then the power over how to run them should rest locally too, increasing councils' ability to improve services and save money.
- 3.6.3 The Mayor of London has stated that it is crucial that London has a voice at the table during the negotiations to leave the EU. He had stated in his election manifesto that he would seek a strong devolution package for London from the Government and that devolution should be primarily to the boroughs, with the Mayor playing a strategic and co-ordinating role and passing the extra powers he obtains to local authorities.
- 3.6.4 The Council's Corporate Plan includes the outcome 'to be open and transparent and put communities at the heart of decision making'. The Council and its

partners are working to reinvigorate grass roots engagement and increase communities' responsibility. Croydon's Stronger Communities Plan 2016-19 will include the following priorities:

- Promote greater community participation and opportunities to influence local priorities including use of community ward budgets
- Explore opportunities for communities to have more responsibility for the things that matter most to them and their neighbourhoods.

3.7 EU regulations

3.7.1 Replacement of EU regulations will be crucial to local government. They impact on council services such as waste, employment, health and safety, consumer protection and trading and environmental standards.

3.7.2 The end of procurement rules and state aid might see many more freedoms for the Council to operate and to invest in local business. EU regulations on procurement have been codified as UK law, so no changes are anticipated until the UK parliament legislates otherwise. It is not yet known how the provider market will respond and there is a possibility that some EU providers might choose to cease operating in the UK; however, this is unlikely to happen until the UK's exit strategy becomes clearer.

3.7.3 The Council will:

- Monitor legislative and regulatory changes and respond at the appropriate time, taking advantage of opportunities that arise
- Keep abreast of responses by providers in EU markets.

4. CONSULTATION

4.1 This report sets out contingency plans and actions already agreed to mitigate the threats to the Council posed by the vote to leave the EU. As proposals for further action are developed, consultation will be conducted on the proposals as appropriate.

5 FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

5.1 The financial issues and risks are set out in the body of the report.

(Approved by: Richard Simpson, Assistant Chief Executive (Corporate Resources and Section 151 officer)

6. COMMENTS OF THE COUNCIL SOLICITOR AND MONITORING OFFICER

6.1 The Acting Solicitor to the Council comments that there are no direct legal implications arising from the recommendations within this report.

(Approved for Gabriel Macgregor, Head of Corporate Law, Acting Council Solicitor and Acting Monitoring Officer)

7. HUMAN RESOURCES IMPACT

- 7.1 There are no immediate HR considerations that arise from the recommendations of this report for LBC staff

(Approved by: Michael Pichamuthu on behalf of Heather Daley, Director of Human Resources)

8. EQUALITIES IMPACT

- 8.1 Data from the 2011 census show that 23,854, 6.6% of Croydon residents, held EU passports and 28,766, 7.9% of residents, held passports from other parts of the world. This is the most recent reliable data available.
- 8.2 Under the Equality Act 2010 the Council along with other public bodies has a statutory duty to:
- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
 - Advance equality of opportunity between people who share a protected characteristic and those who do not.
 - Foster good relations between people who share a protected characteristic and those who do not.
- 8.3 It is one of the Council's statutory equality objectives to improve the proportion of people from different backgrounds who get on well together. The Council will work in partnership with all sections of the community and take appropriate action including steps to increase community cohesion and secure the safety and wellbeing of people from all communities and cultures.

9. ENVIRONMENTAL IMPACT

- 9.1 There is no immediate environmental impact. The Council will consider the consequences of replacement of EU environmental regulations by new UK legislation as these changes arise.

10. CRIME AND DISORDER REDUCTION IMPACT

- 10.1 Concern has been raised regarding a number of incidents where individuals have expressed anti-immigrant sentiments and committed hate crimes following the referendum vote to leave the EU. The Council is taking a number of steps set out in this report to strengthen community cohesion and tackle hate crime. Implementation of the Equality Policy and statutory equality objectives and working proactively with partners including the police, voluntary, faith and community organisations to raise awareness and develop coordinated responses is critical to tackling hate crime.

11. REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

- 11.1 To set out the Council's actions to mitigate the threats posed by the uncertainty created by the decision that the UK should leave the European Union, declare that Croydon remains open for business and reassure EU citizens that their contribution to the working, civic and cultural life of Croydon is valued.

12. OPTIONS CONSIDERED AND REJECTED

12.1 None.

CONTACT OFFICER: Sharon Godman, Head of Strategy and Community 020 8604 7034 Ext 47034

BACKGROUND PAPERS - LOCAL GOVERNMENT ACT 1972 - None

For General Release

REPORT TO:	CABINET 11 July 2016
AGENDA ITEM:	7.1
SUBJECT:	Croydon Local Plan: Strategic Policies – Partial Review (Proposed Submission)
LEAD OFFICERS:	Jo Negrini, Acting Chief Executive Heather Cheesbrough, Director of Planning & Strategic Transport
CABINET MEMBER:	Councillor Alison Butler – Deputy Leader (Statutory) – Cabinet Member for Homes, Regeneration and Planning
WARDS:	All

CORPORATE PRIORITY/POLICY CONTEXT/AMBITIOUS FOR CROYDON:

The Croydon Local Plan will set the growth and development vision and planning policies for the borough from 2016 – 2036. The Croydon Local Plan will provide the planning policy basis for the borough to plan for the borough’s housing need, deliver necessary affordable housing, accommodate sustainable growth, regenerate the district centres, strengthen neighbourhood and local centres, safeguard and provide employment floorspace and deliver a renewed Croydon Opportunity Area, with a residential population of up to 20,000 people, a comprehensively developed retail core and provision of public realm and infrastructure.

The Corporate Plan (2015-2018) sets out how the council will deliver on three key ambitions:

- GROWTH, creating growth in our economy;
- INDEPENDENCE, helping residents to be as independent as possible;
- LIVEABILITY, creating a welcoming, pleasant place in which local people want to live.

Ambition Priority One of the Corporate Plan, growth is underpinned by the Croydon Local Plan, enabling development to occur in sustainable locations, in a desired form and at the appropriate time. The Croydon Local Plan establishes the planning policy vision and the statutory basis with which to support the growth and development objectives delivered through the Croydon Promise and Places Plans.

The Corporate Plan contains the Council’s contribution to Croydon’s Community Strategy 2016-2021 developed by Croydon’s Local Strategic Partnership (LSP). The Community Strategy is the overarching strategy for the borough and sets out the direction for the Local Strategic Partnership for the next five years and beyond, with the focus on three overarching outcomes, each with their individual priorities, which will see Croydon become:

- a place to learn work and live through ambitious placemaking, regeneration, economic growth, cultural renaissance and providing a safe pleasant environment
- a place of opportunity for everyone through better education, health promotion, supporting independence and resilience, and tackling poverty

deprivation and homelessness

- a place with a vibrant and connected community and voluntary sector through enabling communities to connect, collaborate and take responsibility where they see a need and have capacity and commitment to provide for it.

The Community Strategy is set within the context of 'We are Croydon', Croydon's long term vision that was developed by approximately 20,000 residents and adopted in 2010. Croydon's vision is to be

Enterprising - a place renowned for its enterprise and innovation with a highly adaptable and skilled workforce and diverse and thriving local economy

Connected - a place that is well connected, easy to get to and around, and supported by infrastructure that enables people to easily come together; with one of the best digital, communications and transport networks in the country

Creative - a place that draws people to its culture and creativity – an inspiration and enabler of new artistic and sporting talent

Sustainable - a place that sets the pace amongst London boroughs on promoting environmental sustainability and where the natural environment forms the arteries and veins of the city

Learning - a place that unleashes and nurtures local talent and is recognised for its support and opportunity for lifelong learning and ambitions for children and young people

Caring - a place noted for its safety, openness and community spirit where all people are welcome to live and work and where individuals and communities are supported to fulfil their potential and deliver solutions for themselves.

The Croydon Local Plan will assist in delivery of Croydon's vision and the Partnership's priorities for each outcome.

FINANCIAL IMPACT The Croydon Local Plan can be delivered from the Croydon Local Plan budget (reserve) 2015 – 2018.

KEY DECISION REFERENCE NO.: Not a key decision as defined by the Council's constitution

The Leader of the Council has delegated to the Cabinet the power to make the decisions set out in the recommendations below

1. RECOMMENDATIONS

- The Cabinet is recommended to
- 1.1 To approve the draft Croydon Local Plan: Strategic Policies – Partial Review (Proposed Submission) Appendices 1 and 2 (**e-copy only**) for Regulation 19 (The Town and Country Planning (Local Planning) (England) Regulations 2012) publication.
 - 1.2 To approve the draft Council responses to the comments on the Croydon Local Plan: Strategic Policies- Partial Review (Preferred and Alternative Options) Appendix 3 (**e-copy only**) made during the consultation on 6 November 2015 to 18 December 2015 inclusive.
 - 1.3 Delegate to the Director of Planning and Strategic Transport, in consultation with Deputy Leader Statutory - Cabinet Member for Homes, Regeneration & Planning, the making of minor and factual amendments to the Croydon Local Plan: Strategic Policies - Partial Review (Proposed Submission) prior to publication.
 - 1.4 To approve the Submission of the Croydon Local Plan: Strategic Policies - Partial Review, which is not an executive decision, be reported directly to Council with the delegated approval of the Deputy Leader Statutory - Cabinet Member for Homes, Regeneration & Planning for any proposed main modifications to the Croydon Local Plan: Strategic Policies - Partial Review post proposed submission publication to be approved by Council.

2. EXECUTIVE SUMMARY

Why undertake the Croydon Local Plan: Strategic Policies - Partial Review? - (Referred to as CLP1.1 in this report).

- 2.1 The Croydon Local Plan: Strategic Policies (CLP1) was adopted in April 2013. The Plan sets out the vision, development objectives and strategic planning policies for the borough from 2011 to 2031. In April 2013 the Council also adopted the Croydon Opportunity Area Planning Framework (COAPF). The Croydon Local Plan: Strategic Policies and COAPF work alongside a series of Masterplans for Croydon Opportunity Area.
- 2.2 The Croydon Local Plan: Strategic Policies - Partial Review (CLP1.1) is needed for a number of key reasons and these are addressed in turn below.
- 2.3 Ambitious for Croydon is enshrined in the overall vision, objectives and policies of CLP1.1 to ensure Croydon continues to be an attractive and thriving place for all to live, work and visit, including increasing the supply of homes through sustainable growth (together with affordable homes), the renewal and regeneration of Croydon Opportunity Area and the borough's District Centres, increased emphasis on culture and setting the environment for employment opportunities and economic growth.
- 2.4 Croydon's Community Strategy (2016 – 2021) priorities of a place to learn work

and live through ambitious placemaking, a place of opportunity for everyone and a place with a vibrant and connected community are all supported by CLP1.1 and provide the framework for the delivery of these priorities.

- 2.5 The government approving the Council's Growth Zone status is very positive news for the sustainable development of the borough and the delivery of infrastructure. CLP1.1 sets the planning framework to allow the development that underpins the Growth Zone and plans for the infrastructure the Growth Zone will deliver with partners.
- 2.6 Finally, the Further Alterations to the London Plan were adopted in 2015, CLP1.1 is necessary to ensure conformity with the London Plan at the earliest opportunity to ensure the borough has an up to date development plan, including reflecting the new development requirements set out in the London Plan.

Background

- 2.7 The Croydon Local Plan: Strategic Policies Partial Review (CLP1.1) is the most important planning policy document for the borough and provides an exciting and deliverable vision for Croydon up to 2036. It sets a proactive framework for the planning and management of development in the borough over that period; and it will continue to serve as the foundation for planning decisions and a range of other planning documents, in particular the Croydon Local Plan: Detailed Policies and Proposals (CLP2).
- 2.8 The CLP1.1 (Proposed Submission) is a draft planning policy document to form the basis of public and stakeholder consultation on the development of the Croydon Local Plan: Strategic Policies Partial Review in accord with Regulation 19 of the Town and Country Planning (Local Planning) (England) Regulations 2012 and the Council's adopted Statement of Community Involvement 2012.
- 2.9 The preferred and alternative options (Regulation 18 of the above Act) were consulted on from 6 November to 18 December 2015. This consultation resulted in an unprecedented number of representations and attendees at our consultation events. This engagement in the Local Plan process is welcomed and the comments received have helped shape this version of CLP1.1. The changes that have been made to CLP1.1 as a consequence of the valuable consultation are set out in summary form in appendix 4 and in full in appendix 3.
- 2.10 CLP1.1 enshrining Ambitious for Croydon and Croydon's Community Strategy's (2016 – 2021) priorities will ensure Croydon continues to be an attractive and thriving place for all to live, work and visit and provide the best opportunity for the 2036 vision of the borough to be realised.
- 2.11 Once fully adopted CLP1.1 will form part of the development plan for the borough along with the Croydon Local Plan: Detailed Policies and Proposals, (CLP2), South London Waste Plan and the London Plan. On adoption, the borough will have an up to date development plan that is focussed on sustainable growth, meeting the need for homes, jobs and associated infrastructure, whilst respecting and enhancing the character of Croydon. The

Plan will set this strategic context for 20 years as national guidance recommends.

- 2.12 The adoption of the Further Alterations to the London Plan (2015), which increase the borough's housing target from 1,330 per annum to 1,435 per annum. Adoption of this target by The Mayor has rendered the existing housing requirements in the Croydon Local Plan: Strategic Policies obsolete. This combined with the desirability of extending the life of the Croydon Local Plan: Strategic Policies and having an up to date development plan provides the justification for the need to undertake the partial review.
- 2.13 The CLP1.1's preferred approach for accommodating the Further Alterations to the London Plan housing target, and exceeding it in a sustainable manner, is to accommodate growth within the existing urban area of the borough. Population growth means that an additional 42,930 new homes would be needed in Croydon by 2036 to meet the need for new homes. There is limited developable land available for residential development within the built up area meaning that it is only possible to plan for 31,850 new homes in the Plan period 2016-2036. This will be achieved through the Croydon Opportunity Area accommodating at least 10,650 dwellings, sites beyond the Croydon Opportunity Area being allocated for at least 7,300 dwellings, sustainable growth of the suburbs and windfall sites achieving in the region of 9,210 dwellings and bringing vacant dwellings back into use.
- 2.14 The CLP1.1 also proposes changes to a number of other policies to reflect new evidence, change in circumstances and Croydon's Community Strategy (2016 – 2021). These primarily relate to affordable housing policy, the number of pitches needed for Gypsy and Travellers, the need for industrial and employment space, ensuring strategic employment locations fulfil that strategic function, identification of Neighbourhood Centres, review of archeological priority areas, a move from Local Areas of Special Character to Local Heritage Areas and a review of Local Designated Views, Panoramas and Landmarks.
- 2.15 The CLP1.1 (Proposed Submission) is considered to be positively prepared, justified, effective and consistent with London Plan and national policy as required by national guidance.
- 2.16 The costs associated with evidence base, Plan production and undertaking consultation on the CLP1.1 (Proposed Submission) can be met from the Local Plan Budget (reserve) 2015-18.

3. DETAIL

- 3.1 The key catalyst for the partial review is the adoption of the Further Alterations to the London Plan, which increase the borough's housing target from 1,330 per annum to 1,435 per annum. Adoption of this target by The Mayor has rendered the existing housing requirements in the Croydon Local Plan: Strategic Policies obsolete. This combined with the desirability of extending the life of the Croydon Local Plan: Strategic Policies and having an up to date development plan provides the justification to undertake the partial review.

The national context

- 3.2 The National Planning Policy Framework states that “Local Plans are the key to delivering sustainable development that reflects the vision and aspirations of local communities”.
- 3.3 Section 38(6) of the Planning and Compulsory Purchase Act 2004 states that “planning decisions must be taken in accordance with the development plan unless material considerations indicate otherwise”. Currently the development plan in Croydon consists of the London Plan, the Croydon Local Plan: Strategic Policies, the saved policies of the Unitary Development Plan and the South London Waste Plan.
- 3.4 The National Planning Policy Framework states that Local Plans must be positively prepared, justified, effective and consistent with national policy.
- 3.5 To be positively prepared the Plan should be prepared based on a strategy which seeks to meet objectively assessed development and infrastructure requirements, including unmet requirements from neighbouring authorities where it is reasonable to do so and consistent with achieving sustainable development.
- 3.6 To be justified the Plan should be the most appropriate strategy, when considered against the reasonable alternatives, based on proportionate evidence.
- 3.7 To be effective the Plan should be deliverable over its time period and based on effective joint working on cross-boundary strategic priorities.

The Croydon Local Plan

- 3.8 A new Croydon Local Plan is being prepared to replace the saved policies of the Unitary Development Plan which were adopted in 2006 and to update the Strategic Policies to reflect the new London Plan adopted in March 2015. Following the publication of the National Planning Policy Framework in March 2012 the saved policies of the Unitary Development Plan could have reduced weight if they are found to be out of alignment with the government’s planning policies as expressed in the National Planning Policy Framework.
- 3.9 The Croydon Local Plan is split into two documents, the Strategic Policies Development Plan Document (CLP1) and the Detailed Policies and Proposals Development Plan Document (CLP2).
- 3.10 The Croydon Local Plan: Strategic Policies Development Plan Document was adopted by the Council on 22nd April 2013 and, along with the London Plan, the remaining saved policies of the Unitary Development Plan and the South London Waste Plan, forms the current development plan for Croydon. Along with the draft Proposed Submission CLP1.1, a draft Proposed Submission consultation report of CLP2 is being presented to this Cabinet in a separate report.
- 3.11 The Croydon Local Plan: Detailed Policies and Proposals (CLP2) will replace the remaining saved policies of the Unitary Development Plan (set out in Appendix 3). Upon adoption it will become part of the development plan for Croydon and will benefit from the full weight afforded to development plan

policies under Section 38(6) of the Planning and Compulsory Purchase Act 2004.

- 3.11 The Further Alterations to the London Plan sets a 20 year housing target of 42,000 per annum and Croydon's figure of 1,435 dwellings per annum. However, these figures are driven by the Mayor's Strategic Housing Land Availability Assessment (SHLAA) and Mayor's objectively assessed housing need for London is 49,000 per annum. The Mayor is clear that planning for the Further Alterations to the London Plan target alone will not be sufficient to achieve the statutory requirement of general conformity with the London Plan. Councils have to demonstrate how they are seeking to exceed this target and contribute to the 49,000 per annum target.
- 3.12 In addition to the Further Alterations of the London Plan housing target the Council has undertaken a Strategic Housing Market Assessment (SHMA). A SHMA is an objective assessment of housing need. Croydon's SHMA has been produced in accordance with the National Planning Policy Framework (NPPF) and the National Planning Practice Guidance. Paragraph 159 of the NPPF requires local authorities to have a clear understanding of housing needs in their area by preparing a SHMA. A SHMA should identify the scale and mix of housing and the range of tenures that the local population is likely to need over the plan period which:
- Meets household and population projections, taking account of migration and demographic change;
 - Addresses the need for all types, including affordable housing and the needs of different groups in the community; and
 - Caters for housing demand and the scale of housing supply necessary to meet this demand.
- 3.13 The SHMA objectively assesses the quantity of housing needed in Croydon up to 2036. It identifies an Overall Housing Need for the borough, identifies the need for affordable housing and also the needs of different groups including older people, people with disabilities, BME households, households with children, young people and those wanting to build their own home. It also sets out the need of different types of housing by housing type and size.
- 3.14 In accordance with the NPPF, the SHMA has produced an overall housing need (based on the 2012 - based subnational population projections and the 2011 household projections produced by DCLG). The SHMA produces an overall housing need of 2,146 dwellings per year from 2013 to 2036, representing an additional 42,930 homes. In addition, the SHMA has produced a figure based on the same methodology used in the GLA's SHMA for the Further Alterations to the London Plan.

Summary of Croydon's housing figures

Source	Figure per annum
Further Alterations to the London Plan 2015	1,435
Further Alterations to the London Plan 2015 – Central variant	1,807
Strategic Housing Market Assessment	2,146

- 3.15 Most of the need for new homes in Croydon results from natural growth of the borough's population (more births than deaths). A proportion of it, however, is related to people moving to Croydon from elsewhere in the UK or overseas and historically more people have moved to Croydon than have been leaving each year (which on average between 2004 and 2013 meant that 121 more people moved the borough each year than left, and of these just under 20% were from outside of the UK). However, it is important to meet the need for homes from people arriving from outside of the borough as simply not providing for them will result in overcrowding, negatively impact on well being and increase competition for accommodation and, therefore, the price of homes in Croydon (either to buy or rent) will rise making them more unaffordable to residents of the borough.
- 3.16 CLP1.1's preferred approach for accommodating the Further Alterations to the London Plan housing target, and exceeding it in a sustainable manner, is to accommodate growth within the existing urban area of the borough and this preferred option was consulted on in November and December 2015. The growth will be achieved through the Croydon Opportunity Area accommodating at least 10,650 dwellings, sites beyond the Croydon Opportunity Area being allocated for at least 7,300 dwellings and sustainable growth of the suburbs, windfall sites achieving in the region of 9,210 dwellings and maximising growth within district and local centres. Alongside, previous completions and bringing vacant buildings back into use it is anticipated that at least 31,850 dwellings will be delivered over the plan period 2016 – 2036.
- 3.17 This approach is considered to be in conformity with the NPPF and London Plan policy in terms of delivering sustainable growth within the urban area, without the release of Metropolitan Green Belt and Metropolitan Open Land. Furthermore, through the Sustainability Appraisal process, it is clear that in sustainability terms accommodating development within the existing urban area is the favourable option. Due to these two factors it is considered that no other reasonable alternative(s) for accommodating development exist, and hence, the preferred option of accommodating development in the urban area is the option taken forward to be consulted on in the Proposed Submission Plan.
- 3.18 What CLP1.1 demonstrates is that in the face of the considerable population growth London faces; and as a consequence, the challenges Croydon faces to meet housing need (and address the unarguable need for affordable housing), Croydon is willing to plan for growth, which is evident from the selected preferred option now taken forward in the Proposed Submission Plan. What is essential is that London and South London also take responsibility for London's growth and their growth. Croydon will be working hard with the GLA and its neighbours to ensure this is the case.

3.19 The Proposed Submission draft of CLP1.1 also includes revisions to the following.

- Coulsdon reassessed and identified as a Place with potential for moderate rather than medium residential growth, and included along with Thornton Heath in the policy SP1.3
- Tier 2' employment locations to ensure they are still performing a strategic employment function.
- Amendments to the Plan's affordable housing policy are included to ensure continued supply, confirm that on-site provision is preferred, set a fixed affordable housing requirement and acknowledge the pending introduction of Starter Homes.
- Amending the mix of homes from analysis of the Strategic Housing Market Assessment to be adjusted from 60% to 50% of all new homes to have three or more bedrooms and applied to all areas of the borough.
- Updating of the Plan's 'Quality and Standards' policies on homes to refer to the National Technical Standards 2015.
- The number of pitches for Gypsy and Travellers to be delivered reflecting the Gypsy and Traveller Accommodation Needs Assessment (2014)
- Identification of neighbourhood centres, these are locations that are identified on the basis of their ability to support existing and future communities through the provision of community uses.
- A review of the borough's Archaeological Priority Areas. The areas are:
 - Croham Hurst Round Barrow
 - Riddlesdown Road
 - Farthing Down
 - Lion Green Road
 - Park Lane Anglo-Saxon Cemetery
 - Russell Hill
 - Elmers End
 - RAF Kenley
 - Addington and Addington Park
 - Central Croydon
 - Old Coulsdon
 - Sanderstead
 - Watendone
 - Ampere Way
 - Waddon
 - Mere Bank
 - Addington Hills

Croham Hurst
Pampisford Road
Pollards Hill
Deepfield Way
Hook Hill
Cane Hill
Ashburton Park
Haling Grove
London to Brighton Roman Road
London to Lewes Roman Road
Croydon 19th Century Cemeteries
Croydon Downs

- A change from Local Areas of Special Character to Local Heritage Areas with a focus on the designation being principally heritage value based. The proposed Local Heritage Areas are:

Addiscombe College Estate
Auckland Road
Beatrice Avenue
Bingham Road
Birdhurst Road
Bishops Walk
Brighton Road (Purley)
Campden Road and Spencer Road
Chipstead Valley Road (St Dunstan's Cottages)
Henderson Road
Ingatestone Road
Laud Street area
London Road (Broad Green)
London Road (Norbury)
Pollards Hill South
Portland Road (Market Parade)
Portland Road Terraces
South End with Ye Market
St Peter's Road
Station Approach (Coulsdon)
Stoats Nest Village
Stuart Crescent

The Dutch Village
Thornton Heath High Street
Upper Shirley Road

- A review of the Local Designated Views, Croydon Panoramas and Local Designated Landmarks.

The proposed Local Designated Landmarks are:

Cane Hill Water Tower
Clock Tower, High Street, Thornton Heath
Clock Tower, Station Road, South Norwood
Croydon Minster Ikea Towers, part of former power station
No.1, Croydon, George Street
NTL Mast, South Norwood Hill
St. Peter's Church, St. Peter's Road, South Croydon
The Town Hall Clock Tower, Croydon
Park Hill Water Tower
All Saints Church, Sanderstead
Addington Palace
Shirley Windmill
Whitgift Almshouses, North End
St. Andrew's Church, Woodmansterne Road, Coulsdon

The proposed Croydon Panoramas are:

From Addington Hills of Croydon Metropolitan Centre
From Biggin Hill of Croydon Metropolitan Centre
From Croham Hurst looking south west of Purley and Downs
From Farthing Downs of Coulsdon
From Norwood Grove of Croydon Metropolitan Centre
From land adjacent to Parkway and North Downs Crescent of Addington Palace and Shirley Hills
From Pollards Hill of Croydon Metropolitan Centre
From Purley Way Playing Field of Croydon Metropolitan Centre
From Riddlesdown of Kenley
From Ross Road of Ikea Towers
From Kenley Common of Riddlesdown

The proposed Local Designated Views are:

From Crown Hill of Croydon Minster
 From Farthing Downs of Cane Hill
 From George Street of No.1, Croydon, George Street
 From Heathfield of Selsdon and New Addington
 From High Street of the Clock Tower, Thornton Heath
 From Addiscombe Road by Sandilands Tramstop of No1 Croydon
 From High Street south west, of the Clock Tower, South Norwood
 From North End of the Town Hall Clock Tower
 From Oliver Grove of the Clock Tower, South Norwood
 From Roman Way south of Croydon Minster
 From South Norwood Hill of the Shirley Windmill
 From Park Hill of Croydon Metropolitan Centre
 From Selsdon Road of St Peter's Church
 From Woodcote Grove Road of Cane Hill and St. Andrews Church
 From Limpsfield Road, near Wentworth Way of All Saints' Church
 From High Street north east, of the Clock Tower, South Norwood
 From Church Street of Whitgift Almshouses & No1 Croydon
 From Roman Way north of Croydon Minster

- Updating policy on sustainable design and construction to align with current legislation and the National Technical Standards 2015
- Revision to the uses classified as community facilities with the addition of public houses, and post offices, and the removal of care homes, residential homes and nursing homes
- Additional reference in policy on flooding to the application of the Sequential and Exception Tests requirement for developments proposed in locations identified as at risk of flooding.
- A review of the designations of Metropolitan Green Belt and Metropolitan Open Land with proposed revisions.

The proposed additions to Metropolitan Green Belt are:

Addington Vale
 Bradmore Green, Old Coulsdon
 Coulsdon Iron Railway Embankment
 Courtwood Playground
 Land at Rogers Close, Old Coulsdon
 Land between the Bridle Way and Selsdon
 Land in Tollers Lane
 Land off Lower Barn Road

Land on Riddlesdown Road
 Land SW of Cudham Drive, Flora Gardens and Corbett Close,
 New Addington
 Land to rear of Goodenough Close, Middle Close and Weston
 Close, Old Coulsdon
 Land to south of Croham Hurst
 Milne Park, New Addington.
 St Edmund's Church green
 St. John the Evangelist's churchyard, Old Coulsdon
 Sanderstead Recreation Ground
 The Bridle Road, Shirley

The proposed designation change from Metropolitan Green Belt to Metropolitan Open Land of the following:

Croham Hurst
 Purley Downs

The proposed designation change from Metropolitan Green Belt to Local Green Space of the following:

Sanderstead Plantation

The proposed de-designation of Metropolitan Open Land that does not meet the criteria for designation:

Land at Shirley Oaks, - Three areas of this land to be re-designated as Local Green Space (approximately two thirds of the total space).

- Updates to Sustainable travel choice to support Transport for London and Network Rail proposals in the supporting text to the policy on Transport and Communication.

3.20 The proposed submission is expressed as a series of tracked changes to CLP1 Strategic Policies (2013) and it is only the tracked changed element of Croydon Local Plan: Strategic Policies Partial Review that is being consulted on. This continues with the format of the preferred and alternative options consulted on in November 2015.

3.21 Recommendation 1.3 is necessary to ensure that at the time the consultation on the Croydon Local Plan: Strategic Policies Partial Review commences (a few weeks post Cabinet) the Plan is up to date, factually correct and minors amendments can be made to support the consultation.

3.22 The timetable for preparation of the Croydon Local Plan: Strategic Policies Partial Review is set out below:

Stage	When
Consultation on Croydon Local Plan: Strategic Policies Partial Review (Preferred and Alternative Options)	6 November to 18 December 2015

Stage	When
Proposed Submission draft of Croydon Local Plan: Strategic Policies Partial Review	5 September to 17 October 2016
Submission of Croydon Local Plan: Strategic Policies Partial Review to the Secretary of State	December/January 2016
Independent examination by a planning inspector	Spring/Summer 2017
Adoption of Croydon Local Plan: Strategic Policies Partial Review as the Council's planning policies	Winter 2017

4. CONSULTATION

- 4.1 The Croydon Local Plan: Strategic Policies-Partial Review (Preferred and Alternative Options) was consulted on from 6 November to 18 December 2015. Posters were displayed in the libraries and copies of the documents made available. The consultation was also publicised on the Council's website, on Facebook and Twitter, the latter daily reminding the public about the dates and locations of the Council's consultation. It was also on the Council's weekly email alert to residents and in 'Your Croydon'. A new platform of social media called Street Life also posted the same post as the Facebook page onto their webpage. There were six joint drop in events for the Croydon Local Plan for both the Strategic Polices – Partial Review and the Detailed Policies and Proposals with five events focussing on some of the 16 Places each and with one event covering the whole of the borough. However all Places could be discussed at any of the events. They were held on three Wednesdays, two Tuesdays and one Saturday, with the weekday venues opening for 3.5 to 4.5 hours commencing from 3.30pm, depending on availability of the venue, the latest start being 4.30pm, and all ending at around 8pm. The weekday events were held at Addington Community Centre, New Addington, St John's Community Hall, Selsdon, Christ Church Methodist Church Hall, Addiscombe, Purley Baptist Church and South Norwood Methodist Church. The Saturday event was held at the Community Space in Bernhard Weatherill from 10 am to 2pm and covered the entire borough. A total of 831 people signed in at the events.
- 4.2 The draft CLP1.1 (Proposed Submission) takes into consideration the responses to the November 2015 consultation on the Strategic Policies – Partial Review. A summary of those consultation responses and the amendments made to the draft Croydon Local Plan: Strategic Policies – Partial Review (Proposed Submission) are set out in the table below. Note that where there were no comments that entailed any further consideration and/or changes, the policies have been omitted in the table. The full consultation log can be found in Appendix 3 to this report. At the end of the consultation period 3,078 individual people and organisations made duly made representations on the CLP1.1 (Preferred and Alternative Options).
- 4.3 A summary of the main comments received on CLP1.1 (Preferred and Alternative Options) consultation November 2015 and the Council's response and changes made to Croydon Local Plan: Strategic Policies – Partial Review

(Proposed Submission) are set out in Appendix 4.

- 4.4 A total of 1,493 representations of 8,159 representations received were not duly made. Of these 560 were not duly made because they did not have a named person and/or postal or e-mail address. The Council received 771 (of the 1,493), representations containing discriminatory comments about Romany Gypsies, English Gypsies or Irish Travellers, or another specific ethnic group. These were not considered duly made as they contravene the Equality Act 2010. 140 out of the 1,493 not duly made representations were not considered to be duly made because they arrived after the close of the consultation and were therefore considered to be late. These statistics cover both the Detailed Policies and Proposals (Preferred and Alternative Options) and the Strategic Policies – Partial Review (Preferred and Alternative Options).
- 4.5 The next stage in preparing the CLP1.1 is to publish the Proposed Submission draft for comment with all comments to be sent to the Planning Inspectorate for consideration by an independent planning inspector at an Examination in Public. This report is seeking endorsement to publish CLP1.1 (Proposed Submission) report for comment. This will fulfil the requirements of Regulation 19 of the Town and Country Planning (Local Planning) (England) Regulations 2012 and the Council's adopted Statement of Community Involvement 2012. The publication is not a consultation as the Council is not able to make changes to the Local Plan following publication. Any proposed changes will be considered by the independent planning inspector. The Council is however able to recommend main modifications to the planning inspector. Any main modifications arising from the publication of the Proposed Submission report will be presented to Council with the report seeking approval to submit CLP1.1 to the Secretary of State.
- 4.6 The publication will be communicated by the following:
- Emails and/or letter to the Local plan consultee database, regularly updated- a list of all the organisations and stakeholders, Croydon engages with on planning documents, this includes the Duty to Cooperate authorities, Statutory Bodies, landowners and developers and local community organisations, businesses and residents.
 - Printed media and libraries- adverts in the local newspaper, and council communications including e-bulletins to promote the publication period
 - A printed copy of the CLP1.1 (Proposed Submission) will be provided for all Councillors at the start of the Publication period.
 - The Proposed Submission documents will be sent to all the libraries with promotional material such as posters for notice boards. Opportunities for information stands will be considered.
 - Web pages, and social media such as Facebook, Wordpress, YouTube and Flickr will be utilised to reach as many people as possible
- 4.7 It is planned that Submission of CLP1.1 and any main modifications will be reported to Council on 5 December 2016.

5 FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

5.1

1 Revenue and Capital consequences of report recommendations

	Current Financial Year	M.T.F.S – 3 year Forecast		
	2016/17	2017/18	2018/19	2019/20
	£'000	£'000	£'000	£'000
<u>Reserve available</u>				
Expenditure	0	0	0	0
Income	(253)	(78)	0	0
<u>Effect of Decision from Report</u>				
Expenditure CLP1.1 ¹	70	40	0	0
Expenditure CLP2 ²	105	38		
Income	0	0	0	0
Remaining Budget	(78)	0	0	0
<u>Revenue Budget available</u>				
Expenditure	0	2	0	0
<u>Effect of Decision from report</u>				
Expenditure CLP1.1	0	2	0	0
Remaining Budget	(78)	0	0	0

2 The effect of the decision

The CLP1.1 is one stage in the process of preparing the Croydon Local Plan: Strategic Policies Partial Review. Stakeholder engagement is a statutory requirement in preparing a Development Plan Document, of which CLP1.1 is one. Undertaking consultation enables further work on CLP1.1. All the current work required to support CLP1.1 is accounted for within the current Spatial Planning Service resource level and Local Plan budget (reserve) 2016-18. There is an earmarked reserve of £253k set aside for the delivery of the Croydon Local Plan and the expenditure for this element of the Local Plan can be funded from this reserve. Once all expenditure is taken into account, this reserve will be fully spent and an additional £2k budget will be required to fund the project. This will be funded through existing revenue budgets or through reduced spending up to 2018.

3 Risks

¹Croydon Local Plan: Strategic Policies- Partial Review

² Croydon Local Plan: Detailed Policies and Proposals

The preparation of the CLP1.1 is a complex multi-stage process, being prepared to a tight timetable. There is therefore inherent risk that any unforeseen circumstances, additional analysis or legal challenge will result in additional financial costs above those available and could delay the final adoption of the CLP1.1.

These are being mitigated to reduce their impact with a programme management approach and up front communication with key stakeholders including statutory organisations. Further work is currently being undertaken to monitor the processes to ensure the document is found to be sound and based on up to date evidence.

As the CLP1.1 will be part of the overarching Local Planning Authority's spatial planning strategy for the next twenty years, it is also essential that it is of sufficient quality and purpose to ensure the Council can achieve its Vision.

4 Options

There are no options with regard to consultation, as most of the processes being undertaken are specified by statutory requirements or by government policies. Failure to undertake sufficient evidential analysis or stakeholder consultation may prompt challenge at the Public Examination stage, increasing overall costs.

In the absence of the CLP1.1, future planning decisions will be at risk of challenge as there could be the absence of an up to date development plan and possible non-conformity with London Plan policy.

5 Future savings/efficiencies

A sound CLP1.1 will contribute indirect financial savings by assisting the regeneration of the borough through the setting of a firm planning framework that will provide certainty to the community and developers, mitigate cost associated with planning appeals and ensure the Council has an up to date development plan as set out in government guidance, which could become a performance requirement under emerging government policy.

6 Approved by: Zulfiqar Darr, Interim Head of Finance - Place & Resources

6. COMMENTS OF THE COUNCIL SOLICITOR AND MONITORING OFFICER

- 6.1 The Council Solicitor comments that the Croydon Local Plan: Strategic Policies Partial Review (Proposed Submission) forms the basis of public and stakeholder consultation on the development of the Croydon Local Plan: Strategic Policies Partial Review in accordance with Regulation 19 of the Town and Country Planning (Local Planning) (England) Regulations 2012 and the Council's adopted Statement of Community Involvement 2012. It will also contribute towards compliance with the Duty to Cooperate as required under Section 33A (1) (c) of the Planning and Compulsory Purchase Act 2004.

(Approved by: Sean Murphy: Principal Corporate Solicitor (Regeneration) on behalf of the Acting Council Solicitor and Acting Monitoring Officer.)

7. HUMAN RESOURCES IMPACT

- 7.1 There are no direct Human Resources considerations arising from this report in terms of impact on staff. However, consultation on the Croydon Local Plan: Strategic Policies Partial Review (Proposed Submission) can be undertaken in a proportionate manner with the current Spatial Planning resource level and availability.

Approved by Adrian Prescod, HR Business Partner, for and on behalf of the Director of Human Resources

8. EQUALITIES IMPACT

- 8.1 The Croydon Local Plan: Strategic Policies Partial Review (Proposed Submission) has been subject to an Equality Analysis scoping exercise, which has assessed the draft Plan's impact on equalities and identified that a full Equalities Assessment is necessary for the Proposed Submission stage. The Scoping Report was published on 7 August 2012 and was thereupon subject to a five week consultation. The full Equalities Assessment has established that there is no potential for discrimination, harassment or victimisation and that the Croydon Local Plan: Strategic Policies – Partial Review, includes all appropriate actions to advance equality and foster good relations between groups. The appropriate actions to address potential impacts on groups with a protected characteristic include:
- The Croydon Monitoring Report, which is published annually, to assess the effectiveness of the Croydon Local Plan: Strategic Policies
 - Monitoring of supply and demand for sheltered, residential care housing, and extra care housing.

9. ENVIRONMENTAL IMPACT

- 9.1 A full Sustainability Appraisal (incorporating a Strategic Environmental Assessment) of the Croydon Local Plan: Strategic Policies Partial Review (Proposed Submission) has been prepared. Amendments have been made to the Croydon Local Plan: Strategic Policies Partial Review (Proposed Submission) as a result of the findings of the Sustainability Appraisal.

10. CRIME AND DISORDER REDUCTION IMPACT

- 10.1 The Croydon Local Plan: Strategic Policies Partial Review (Proposed Submission) report does not have a direct impact on the reduction or prevention of crime and disorder.

11. REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

- 11.1 Public and stakeholder engagement is an essential and statutory requirement in preparing the Croydon Local Plan: Strategic Policies Partial Review (Proposed Submission). The Croydon Local Plan: Strategic Policies - Partial Review (Proposed Submission) is considered to be positively prepared, justified, effective and consistent with national policy.

- 11.2 The Proposed Submission is expressed as a series of tracked changes to CLP1 Strategic Policies (2013), and it is only the tracked changed element of CLP1.1 that is being consulted on.
- 11.3 In the absence of the Croydon Local Plan: Strategic Policies Partial Review future planning decisions will be at risk of challenge as there could be the absence of an up to date development plan and possible non-conformity with London Plan policy.
- 11.4 The Housing and Planning Act introduces the ability of the Secretary of State to intervene in a Council's plan making if they don't have an up to date Local Plan by 2017. Progression of the Council's Local Plan keeps plan making in the Council's control.

12. OPTIONS CONSIDERED AND REJECTED

- 12.1 There are no options with regard to consultation, as most of the processes being undertaken are specified by statutory requirements or by government policies. Failure to undertake sufficient evidential analysis or stakeholder consultation may prompt challenge at the Public Examination stage, increasing overall costs and the likelihood of the plan being found unsound.

CONTACT OFFICER: Steve Dennington Interim Service Head- Spatial Planning (ext. 64973)

BACKGROUND PAPERS - LOCAL GOVERNMENT ACT 1972

- Evidence base for Croydon Local Plan: Strategic Policies Partial Review (Proposed Submission) of the Sustainability Appraisal, and Equality Analysis Report

APPENDICES (e-copy only)

(Available for Cabinet meeting via

<https://secure.croydon.gov.uk/akscroydon/users/public/admin/kabmenu.pl?cmte=CAB>)

Appendix 1 – Draft Croydon Local Plan: Strategic Policies Partial Review (Proposed Submission)

Appendix 2 – Draft Croydon Local Plan (Proposed Submission) Policies Map and Addendum (the Policies Map layers shown on the Addendum supersede the Draft Croydon Local Plan (Proposed Submission) Policies Map and are those to be approved).

Appendix 3 – Consultation Log (including draft Council response to comments) for the Croydon Local Plan: Strategic Policies-Partial Review (Preferred and Alternative Options) consultation November 2015

Appendix 4 – Summary of the main comments received on Croydon Local Plan: Strategic Policies-Partial Review (Preferred and Alternative Options) consultation November 2015 and the Council's response and changes made to Croydon Local Plan: Strategic Policies – Partial Review (Proposed Submission)

For General Release

REPORT TO:	CABINET 11 July 2016
AGENDA ITEM:	7.2
SUBJECT:	Croydon Local Plan: Detailed Policies and Proposals (Proposed Submission)
LEAD OFFICER:	Jo Negrini, Acting Chief Executive Heather Cheesbrough, Director of Planning and Strategic Transport
CABINET MEMBER:	Councillor Alison Butler – Deputy Leader Statutory - Cabinet Member for Homes, Regeneration & Planning
WARDS:	All

CORPORATE PRIORITY/POLICY CONTEXT/AMBITIOUS FOR CROYDON:

The Croydon Local Plan will set the growth and development vision and planning policies for the borough from 2016 – 2036. The Croydon Local Plan will provide the planning policy basis for the borough to plan for the borough’s housing need, deliver necessary affordable housing, accommodate sustainable growth, regenerate the district centres, strengthen neighbourhood and local centres, safeguard and provide employment floorspace and deliver a renewed Croydon Opportunity Area, with a residential population of up to 20,000 people, a comprehensively developed retail core and provision of public realm and infrastructure.

The Corporate Plan (2015-2018) sets out how the council will deliver on three key ambitions:

- GROWTH, creating growth in our economy;
- INDEPENDENCE, helping residents to be as independent as possible;
- LIVEABILITY, creating a welcoming, pleasant place in which local people want to live.

Ambition Priority One of the Corporate Plan, growth is underpinned by the Croydon Local Plan, enabling development to occur in sustainable locations, in a desired form and at the appropriate time. The Croydon Local Plan establishes the planning policy vision and the statutory basis with which to support the growth and development objectives delivered through the Croydon Promise and Places Plans.

The Corporate Plan contains the Council’s contribution to Croydon’s Community Strategy 2016-2021 developed by Croydon’s Local Strategic Partnership (LSP). The Community Strategy is the overarching strategy for the borough and sets out the direction for the Local Strategic Partnership for the next five years and beyond, with the focus on three overarching outcomes, each with their individual priorities, which will see Croydon become:

- a place to learn work and live through ambitious placemaking, regeneration, economic growth, cultural renaissance and providing a safe pleasant environment
- a place of opportunity for everyone through better education, health promotion, supporting independence and resilience, and tackling poverty

- deprivation and homelessness
- a place with a vibrant and connected community and voluntary sector through enabling communities to connect, collaborate and take responsibility where they see a need and have capacity and commitment to provide for it.

The Community Strategy is set within the context of 'We are Croydon', Croydon's long term vision that was developed by approximately 20,000 residents and adopted in 2010. Croydon's vision is to be

Enterprising - a place renowned for its enterprise and innovation with a highly adaptable and skilled workforce and diverse and thriving local economy

Connected - a place that is well connected, easy to get to and around, and supported by infrastructure that enables people to easily come together; with one of the best digital, communications and transport networks in the country

Creative - a place that draws people to its culture and creativity – an inspiration and enabler of new artistic and sporting talent

Sustainable - a place that sets the pace amongst London boroughs on promoting environmental sustainability and where the natural environment forms the arteries and veins of the city

Learning - a place that unleashes and nurtures local talent and is recognised for its support and opportunity for lifelong learning and ambitions for children and young people

Caring - a place noted for its safety, openness and community spirit where all people are welcome to live and work and where individuals and communities are supported to fulfil their potential and deliver solutions for themselves.

The Croydon Local Plan will assist in delivery of Croydon's vision and the Partnership's priorities for each outcome.

FINANCIAL IMPACT

The Croydon Local Plan can be delivered from the Croydon Local Plan budget (reserve) 2015 – 2018.

KEY DECISION REFERENCE NO.: Not a key decision as defined by the Council's constitution.

The Leader of the Council has delegated to the Cabinet the power to make the decisions set out in the recommendations below

1. RECOMMENDATIONS

- The Cabinet is recommended to
- 1.1 To approve the draft Croydon Local Plan: Detailed Policies and Proposals (Proposed Submission) Appendices 1 and 2 for Regulation 19 (The Town and Country Planning (Local Planning) (England) Regulations 2012) publication;

- 1.2 To approve the draft Council responses to the comments on the Croydon Local Plan: Detailed Policies and Proposals (Preferred and Alternative Options) Appendix 4 made during the consultation from 6 November to 18 December 2015.
- 1.3 Delegate to the Director of Planning and Strategic Transport, in consultation with Deputy Leader Statutory - Cabinet Member for Homes, Regeneration & Planning, the making of minor and factual amendments to the Croydon Local Plan: Detailed Policies and Proposals (Proposed Submission) prior to publication.
- 1.4 To approve that the Submission of the Croydon Local Plan: Detailed Policies and Proposals, which is not an executive decision, be reported directly to Council with the delegation to the Deputy Leader Statutory - Cabinet Member for Homes, Regeneration & Planning to agree any proposed main modifications to the Croydon Local Plan: Detailed Policies and Proposals post publication to be approved by Council.

2. EXECUTIVE SUMMARY

2.1 The draft Croydon Local Plan: Detailed Policies and Proposals (Proposed Submission), is the proposed planning policy framework to be published for public comment in accord with Regulation 19 of the Town and Country Planning (Local Planning) (England) Regulations 2012 and the Council's adopted Statement of Community Involvement 2012. All comments received will be forwarded directly to the Planning Inspectorate to form the basis of independent examination of the proposed Croydon Local Plan: Detailed Policies and Proposals.

2.2 The preferred and alternative options (Regulation 18 of the above Act) were consulted on from 6 November to 18 December 2015. This consultation resulted in an unprecedented number of representations and attendees at our consultation events. This engagement in the Local Plan process is welcomed and the comments received have helped shape this version of CLP2. The changes that have been made to CLP1.1 as a consequence of the valuable consultation are set out in summary form in appendix 5 and in full in appendix 4.

2.3 Once fully adopted the Croydon Local Plan: Detailed Policies and Proposals will form part of the development plan for the borough along with the Croydon Local Plan: Strategic Policies (including its Partial Review), the South London Waste Plan and the London Plan. On adoption, the draft Croydon Local Plan: Detailed Policies and Proposals will replace the remaining saved policies of the existing Unitary Development Plan to ensure the borough has an up to date development plan that is focussed on meeting the need for homes, jobs and associated infrastructure whilst respecting and enhancing the character of Croydon.

2.4 The draft Croydon Local Plan: Detailed Policies and Proposals (Proposed Submission) sets out the detailed planning policies that will enable the growth strategy of the draft Croydon Local Plan: Strategic Policies Partial Review (Proposed Submission) to be realised. It also sets out the proposed

development sites that will be allocated for development where those sites are over 0.25ha in extent.

- 2.5 As the draft Croydon Local Plan: Strategic Policies Partial Review (Proposed Submission) in setting the borough's growth strategy, vision, objectives and policies enshrines Ambitious for Croydon, Croydon's Growth Zone and Croydon's Community Strategy this flows through to the draft Croydon Local Plan: Detailed Policies and Proposals (Proposed Submission) and provides conformity with these documents.
- 2.6 The draft Detailed Policies and Proposals propose an innovative approach to meeting the needs of the borough for new homes and associated infrastructure and the regeneration of the district centres, strengthening neighbourhoods (with designation of neighbourhood centres), and local centres and promoting employment opportunities and economic growth. They set out an approach that will encourage higher density development within the urban area of the borough with sustainable growth of the suburbs throughout Croydon to enable more sustainable growth and development, more mixed use development, particularly along the A23 and in the Croydon Opportunity Area, and a higher quality residential accommodation with new rigorous standards for private amenity space in flatted developments to encourage the provision of family homes in areas which to date have predominantly seen the development of smaller homes.
- 2.7 The draft Croydon Local Plan: Detailed Policies and Proposals (Proposed Submission) is considered to be positively prepared, justified, effective and consistent with national policy. It presents both the preferred option for each policy area and proposal site and reasonable alternatives.
- 2.8 The costs associated with undertaking consultation on the draft Croydon Local Plan: Detailed Policies and Proposals (Preferred and Alternative Options) can be met from the Local Plan Budget (reserve) 2015-18.

3. DETAIL

- 3.1 The context of the draft Croydon Local Plan: Detailed Policies and Proposals (Proposed Submission) report is set out below.
- The national context**
- 3.2 The National Planning Policy Framework states that "Local Plans are the key to delivering sustainable development that reflects the vision and aspirations of local communities".
- 3.3 Section 38(6) of the Planning and Compulsory Purchase Act 2004 states that "planning decisions must be taken in accordance with the development plan unless material considerations indicate otherwise". Currently the development plan in Croydon consists of the London Plan, the Croydon Local Plan: Strategic Policies, the saved policies of the Unitary Development Plan and the South London Waste Plan.

- 3.4 The National Planning Policy Framework states that Local Plans must be positively prepared, justified, effective and consistent with national policy.
- 3.5 To be positively prepared the Plan should be prepared based on a strategy which seeks to meet objectively assessed development and infrastructure requirements, including unmet requirements from neighbouring authorities where it is reasonable to do so and consistent with achieving sustainable development.
- 3.6 To be justified the Plan should be the most appropriate strategy, when considered against the reasonable alternatives, based on proportionate evidence.
- 3.7 To be effective the Plan should be deliverable over its time period and based on effective joint working on cross-boundary strategic priorities.

The Croydon Local Plan

- 3.8 A new Croydon Local Plan is being prepared to replace the saved policies of the Unitary Development Plan which were adopted in 2006 and to update the Strategic Policies to reflect the new London Plan adopted in March 2015. Following the publication of the National Planning Policy Framework in March 2012 the saved policies of the Unitary Development Plan could have reduced weight if they are found to be out of alignment with the government's planning policies as expressed in the National Planning Policy Framework.
- 3.9 The Croydon Local Plan is split into two documents, the Strategic Policies Development Plan Document (CLP1) and the Detailed Policies and Proposals Development Plan Document (CLP2).
- 3.10 The Croydon Local Plan: Strategic Policies Development Plan Document was adopted by the Council on 22nd April 2013 and, along with the London Plan, the remaining saved policies of the Unitary Development Plan and the South London Waste Plan, forms the current development plan for Croydon. A partial review of the Croydon Local Plan: Strategic Policies (CLP1.1) is currently being prepared and a draft Proposed Submission consultation report is being presented to this Cabinet in a separate report.
- 3.11 The Croydon Local Plan: Detailed Policies and Proposals will replace the remaining saved policies of the Unitary Development Plan (set out in Appendix 3). Upon adoption it will become part of the development plan for Croydon and will benefit from the full weight afforded to development plan policies under Section 38(6) of the Planning and Compulsory Purchase Act 2004.

Detailed Policies and Proposals Development Plan Document

- 3.12 The Croydon Local Plan: Detailed Policies and Proposals will need to set out the detailed planning policies that will be used to determine planning applications in the borough and allocate land for development up to 2036 to meet the requirements of the Croydon Local Plan: Strategic Policies

(including the Partial Review).

- 3.13 The Croydon Local Plan: Detailed Policies and Proposals will then assist with the sustainable growth of the borough through the setting of a planning framework that will provide certainty to the community and developers that will contribute to meeting housing need along with the need for associated infrastructure and jobs.
- 3.14 The timetable for preparation of the Croydon Local Plan: Detailed Policies and Proposals is set out below:

Stage	When
Consultation on Detailed Policies and Proposals (Preferred and Alternative Options)	6 November 2015 – 18 December 2015
Proposed Submission draft of Croydon Local Plan: Detailed Policies and Proposals	5 September 2016 – 17 October 2016
Submission of the Croydon Local Plan: Detailed Policies and Proposals to the Secretary of State	December/January 2016
Independent examination by a Planning Inspector	Spring/Summer 2017
Adoption of Croydon Local Plan: Detailed Policies and Proposals as the Council's planning policies	Winter 2017

The Detailed Policies and Proposals (Proposed Submission)

- 3.15 The draft Croydon Local Plan: Detailed Policies and Proposals (Proposed Submission) publishes all the Detailed Policies and Proposals as they would appear if they were to be adopted without any amendment. They are presented for publication so any interested person can make representation on them for consideration at Examination in Public by an independent planning inspector appointed by the Secretary of State.
- 3.16 The Proposed Submission draft follows on from the Preferred and Alternative Options consultation on the Detailed Policies in October 2013 and the Preferred and Alternative Options consultation on the Detailed Policies and Proposals in November 2015. It also follows on from two "Call for Sites" engagements that took place in February 2012 and February 2014 when developers, landowners and other interested parties were asked to send in sites that they wished to see developed, or safeguarded for a particular infrastructure use.
- 3.17 The draft Croydon Local Plan: Detailed Policies and Proposals (Proposed Submission) has taken account of the comments made as part of the October 2013 and November 2015 consultations. A full consultation log including draft Council response to each comment made during the November 2015 consultation can be found in Appendix 4. The full consultation log including the Cabinet approved Council response for the October 2013 consultation is provided as a background document to

this report. There is a summary of the consultation responses and the draft Council response in the next section of this report.

- 3.18 The draft Detailed Policies and Proposals Proposed Submission will assist in the delivery of the administration's Ambitious for Croydon with the emphasis on the following
- Increase housing supply
 - Increase affordable housing supply
 - Focus on District Centres (in addition to the COA)
 - Retail core renewal
 - Employment opportunities and economic growth
 - Increased emphasis on culture
 - The Croydon Promise, Croydon Growth Zone and Place Plans

This is reflected in the Plan as follows:

- Sustainable growth of the suburbs to increase the supply of homes, including affordable homes
- Affordable housing policy amendment to improve supply (in the Croydon Local Plan: Strategic Policies – Partial Review)
- A new Neighbourhood centres designation
- Shopping parades reviewed and additional parades designated
- District and Local Centre boundary revisions proposed
- More flexible approach for locating creative and cultural industries in town centres across the borough
- Some edge of employment locations are suitable as residential transition areas
- Support for Crystal Palace Football Club and its presence in the borough
- Public Houses protections policy
- Alignment with the Croydon Promise, regeneration and place plans

- 3.19 The draft Detailed Policies and Proposals (Proposed Submission) sets out the planning policies and proposals to be included in the Croydon Local Plan: Detailed Policies and Proposals to be submitted to the Planning Inspectorate subject to approval from Council. They are also subject to any other material circumstances that arise prior to seeking approval to submit. Any such changes will be reported as Main Modifications in the report to Council. In this report a delegated authority to the Deputy Leader (Statutory) – Cabinet Member for Homes, Regeneration & Planning is sought to agree any proposed main modifications to the Croydon Local Plan: Detailed Policies and Proposals post Proposed Submission publication to be approved by Council for Submission.

- 3.20 The draft Detailed Policies and Proposals (Proposed Submission) sets

out the preferred Proposal sites (allocations) which consist of sites capable of accommodating 10 or more homes that will help to meet the need for homes, including for gypsy and travellers and associated infrastructure in the borough up to 2036. It includes allocating land for new primary and secondary schools in the borough.

- 3.21 In total the proposed sites when combined with an allowance for small windfall sites will help to meet 73% of the need for homes and gypsy and traveller pitches in the borough. The remaining need will have to be met under the Duty to Co-operate by other boroughs in London and the wider South East. Discussions have been held with other local planning authorities with a housing market connection to Croydon to discuss their ability to help meet Croydon's unmet need for homes and gypsy and traveller pitches.
- 3.22 A full Sustainability Appraisal (incorporating a Strategic Environmental Assessment) has been prepared. Amendments have been made to the draft Croydon Local Plan: Detailed Policies and Proposals as a result of the findings of the Sustainability Appraisal on the previous Preferred and Alternative Options draft of the Plan.
- 3.23 The focus of the draft Detailed Policies and Proposals (Proposed Submission) is on reflecting and enhancing the character and environment of each of the sixteen Places of Croydon and enabling the meeting of the borough's need for new homes, jobs and supporting infrastructure through sustainable growth of the borough including its suburbs, with higher density, high-quality, family friendly and more sustainable development.
- 3.24 The draft Detailed Policies and Proposals (Proposed Submission) compliments the adopted Croydon Local Plan: Strategic Policies and the draft Partial Review of the Strategic Policies. The Strategic Policies (including the Partial Review) set out in detail the authority's planning policies for establishing and seeking to meet housing need, affordable housing, economic growth, regeneration and renewal of the Croydon Opportunity Area, industrial land, environmental standards of new development and transport. These policy areas are not therefore covered in detail in the draft Detailed Policies and Proposals (Proposed Submission) except to add further detail on a small number of matters including intensification of industrial locations and further detail on car parking standards.
- 3.25 The following policies are put forward in the Preferred and Alternative options:
- Policy DM1: Housing choice for sustainable communities
 - Policy DM2: Protecting rear garden land
 - Policy DM3: Residential care and nursing homes
 - Policy DM4: Vacant building credit
 - Policy DM5: Development in Croydon Metropolitan Centre, District and Local Centres
 - Policy DM6: Development in Neighbourhood Centres

- Policy DM7: Development in Shopping Parades
- Policy DM8: Development in Restaurant Quarter Parades
- Policy DM9: Development in edge of centre and out of centre locations
- Policy DM10: Expansion of industrial and warehousing premises in Strategic, Separated and Integrated Industrial Locations
- Policy DM11: Design and character
- Policy DM12: Shop front design and security
- Policy DM13: Advertisement hoardings
- Policy DM14: Refuse and recycling
- Policy DM15: Public art
- Policy DM16: Tall and large buildings
- Policy DM17: Promoting healthy communities
- Policy DM18: Views and Landmarks
- Policy DM19: Heritage assets and conservation
- Policy DM20: Providing and protecting community facilities
- Policy DM21: Crystal Palace Football Club
- Policy DM22: Protection of Public Houses
- Policy DM23: Providing for cemeteries and burial grounds
- Policy DM24: Sustainable Design and Construction
- Policy DM25: Land contamination
- Policy DM26: Sustainable Drainage Systems and Reducing Flood Risk
- Policy DM27: Metropolitan Green Belt, Metropolitan Open Land and Local Green Spaces
- Policy DM28: Protecting and enhancing our biodiversity
- Policy DM29: Trees
- Policy DM30: Promoting sustainable travel and reducing congestion
- Policy DM31: Car and cycle parking in new development
- Policy DM32: Restricting temporary car parks
- Policy DM33: Facilitating rail improvements
- Policy DM34: Telecommunications
- Policy DM35: Positive character of the Places of Croydon

3.26 Each of the sixteen Places of Croydon has its own specific policy to guide development in each area. The Detailed Proposal sites are also included in these follows. The policies are as follows:

- Policy DM36: Addington
- Policy DM37: Addiscombe
- Policy DM38: Broad Green and Selhurst
- Policy DM39: Coulsdon
- Policy DM40: Croydon Opportunity Area
- Policy DM41: Crystal Palace and Upper Norwood
- Policy DM42: Kenley and Old Coulsdon
- Policy DM43: Norbury
- Policy DM44: Purley
- Policy DM45: Sanderstead
- Policy DM46: Selsdon
- Policy DM47: Shirley
- Policy DM48: South Croydon

- Policy DM49: South Norwood and Woodside
- Policy DM50: Thornton Heath
- Policy DM51: Waddon

Significant changes from the existing Unitary Development Plan

- 3.27 The draft Detailed Policies and Proposals (Proposed Submission) is not an update of the remaining saved policies of the existing Unitary Development Plan as all proposed policies must be positively prepared, justified, effective and consistent with national policy. Not all existing saved policies are now able to meet these four tests.
- 3.28 The draft Croydon Local Plan: Detailed Policies and Proposals (Proposes Submission) has more emphasis on sustainable growth in the context of local character compared to the Unitary Development Plan and supports an evolution of lower density areas of the borough to encourage more sustainable development of higher density, supporting housing growth, including family homes with high quality private amenity space and creating and supporting local and neighbourhood centres.
- 3.29 Some, but not all of the sixteen Places in the draft Detailed Policies and Proposals (Proposed Submission) have a Place-specific development management policy. These policies highlight areas within each Place where the local character is indeterminate and thereby justifying a specific policy to steer proposed developments within the context of sustainable development and supporting housing growth. The Place-Specific development management policies focus on enhancing the character of areas of the borough and provide a framework within which to determine whether a proposed development would enhance existing local character and present an opportunity for development. Each of the 16 Places also has a Place-Specific policy containing the Detailed Proposals (site allocations) that set out how specific larger sites in the borough will be developed over the lifetime of the Croydon Local Plan up to 2036.

Key policies of the Detailed Policies and Proposals (Proposed Submission)

- 3.30 This section details key policies of the Detailed Policies and Proposals (Proposed Submission). It does not provide details of every policy. All references to changes to designations result in changes to the Policies Map that accompanies the Croydon Local Plan. All proposed changes to the Policies Map are shown on the draft Local Plan Policies Map in Appendix 2.
- 3.31 Policy DM1 protects small family homes (less than 130m²); all three-bedroom homes, and sets minimum levels of family homes (with three or more bedrooms) on residential developments with ten or more homes across the borough. The minimum levels of family homes are significantly higher than that achieved at the moment reflecting both the need for larger homes, (which are not being met using existing planning policies), and the step change that the development industry will need to

achieve over the life of the Croydon Local Plan to deliver family homes in higher density development in Croydon and London in general.

- 3.32 Policy DM2 protects garden land in the borough by limiting development of garden land to those in keeping with the surrounding character of the area and subservient to the original dwelling, where a minimum length of 10m and no less than half of the existing garden area is retained after the subdivision of the garden of the original dwelling; and where there would not be a detrimental impact on existing and future occupants in terms of overlooking and outlook. In effect this means that only the largest of gardens in Croydon might be considered suitable. Even then other policies of the Plan on design and biodiversity would still apply. This policy has been changed from the Preferred and Alternative Options consultation.
- 3.33 Policy DM3 limits the granting of planning permission for new residential care and nursing homes to instances where there is a demonstrated need for the type of home proposed. This is to reflect the oversupply of all types of residential care and nursing homes that currently exists in the borough.
- 3.34 Policy DM4 clarifies the definition of a vacant building for the vacant building credit recently reintroduced by the government. It defines a building as vacant for the purposes of application of vacant building credit only if has been marketed for lawful uses for a period of at least 18 months. This is to prevent buildings which have been made intentionally vacant for the purposes of redevelopment from benefiting from vacant building credit. This policy was not in the Preferred and Alternative Options consultation due to not being in force at the time of the consultation in November 2015.
- 3.35 Policy DM5 proposes amendments to a number of District and Local Centres in the borough and also Croydon Metropolitan Centre to protect and improve their viability and vitality in the future including the permitting of Class B business units in secondary retail frontages to provide space for creative and cultural industries. It also sets a new requirement for development outside of designated shopping frontages in centres to provide a free fitting out for the first end occupier, and be designed such that they could be converted to residential use if no end occupier is found. However, the primary focus will be on giving every opportunity for an alternative use to be realised. This is to reduce the risk of vacant ground floor premises blighting street frontages in the borough. The table below highlights those centres with notable changes¹:

Name of Centre	Significant proposed amendments
Croydon Metropolitan Centre	The area within which new retail development would be permitted is expanded to include:

¹ Note that is not a list of all District and Local Centres in Croydon

Name of Centre	Significant proposed amendments
	<ul style="list-style-type: none"> • George Street east of the Wellesley Road; and • The entirety of the area encompassed by George Street, North End, Poplar Walk and Wellesley Road.
Norbury District Centre	Contract boundary of the centre at the northern and southern end to focus on the main areas of retailing along London Road. This reflects changes in the London Borough of Lambeth which has also removed the District Centre designation from the parts of Norbury District Centre in Lambeth bordering Croydon.
Purley District Centre	Remove areas predominantly residential areas in the north east of the existing centre to focus of the main areas of commercial activity to the south and west.
South Norwood District Centre	Contract boundary to focus on the main areas of retail activity along the High Street and Station Road and the northern end of Portland Road.
Thornton Heath District Centre	Contract boundary to focus on the main areas of retail activity along the High Street and Brigstock Road.
Beulah Road	Designate a new Local Centre at Beulah Road replacing and expanding upon the existing Shopping Parade designation.
Brighton Road (Selsdon Road) Local Centre	Remove areas north of Warham Road from the Local Centre designation. These areas have high levels of vacancy at present and focusing retail activity in the remainder of the Centre may stimulate investor activity in the de-designated areas.
Pollards Hill Local Centre	Remove areas on east side of London Road north of Kilmartin Avenue as this part of the existing centre is dominated by car showrooms which are not a Local Centre activity.

3.36 Policy DM6 sets out the location of a new designation, Neighbourhood Centres. These are locations in the borough which are the focus of community activities (including convenience shopping). The policy is designed to enable growth of community activities in these locations to support the existing and future residents. Neighbourhood Centres do not have a defined boundary, rather planning applications will be determined based on the relationship of application sites to the focus point of the Neighbourhood Centre. The following locations are proposed as Neighbourhood Centres:

- Ashburton Park

- Brighton Road/Downlands Road
- Brigstock Road
- Coulsdon Road/Court Avenue
- Fieldway
- Green Lane/Northwood Road
- Kenley (Godstone Road)
- London Road/Kidderminster Road
- Lower Addiscombe Road/Cherry Orchard Road
- Portland Road/Watcombe Road/Woodside Avenue
- Selhurst Road
- Selsdon Park Road/Featherbed Lane
- Shirley Road
- South End/Parker Road/St Peter's Church
- South Norwood Hill
- Spring Park/Bridle Road
- Waddon Road/Abbey Road
- Woodside Green

3.37 Policy DM7 proposes a number of new Shopping Parades in the borough to protect the existing retail and community function of their locations. The policy also proposes the de-designation of a few existing Shopping Parades which no longer function as a parade and are unlikely to do so in the future. The table below sets out these changes:

Shopping Parade	New	Amended boundary	De-designated
Beulah Road			✓
Brighton Road/ Kingsdown Avenue		✓	
Brighton Road/ Biddulph Road	✓		
Bywood Avenue		✓	
Grovelands		✓	
Headley Drive		✓	
London Road/Mead Place	✓		
London Road/Nova Road	✓		
London Road/Fairholme Road	✓		
Lower Addiscombe Road/Davidson Road	✓		
Morland Road			✓
Northwood Road			✓

Shopping Parade	New	Amended boundary	De-designated
Old Lodge Lane			✓
Portland Road/Sandown Road	✓		
Royal Oak			✓
Shirley Road/Bingham Road	✓		
Southbridge Road	✓		
The Parade, Coulsdon Road		✓	
Thornton Road	✓		
Waddon Road		✓	
Whitehorse Lane	✓		
Whitehorse Road		✓	

- 3.38 Policy DM8 proposes a new Restaurant Quarter Parade designation which will apply to various frontages in South End. In this area applications for new food and drink establishments (excluding hot food take-aways), will be considered favourably.
- 3.39 Policy DM11 is a generic design and character policy for all developments in the borough. It promotes high quality development across the borough that enhances and sensitively responds to the existing built form in a way to encourage growth. It also sets new standards for private amenity space in developments to ensure that all new developments provide more space that is of higher quality and more useable than currently is the case in many developments. In particular the standards themselves encourage the provision of communal gardens in flatted developments so that all flats have access to open space and are thus potentially suitable for families.
- 3.40 Policy DM17 is a new policy on promoting healthy communities. It is the result of joint working between the Council's Spatial Planning and Public Health services which highlighted the need (through a Health Impact Assessment) to promote the creation of healthy communities which encourage healthy behaviours and lifestyles through the design of new development. This policy was not in the Preferred and Alternative Options consultation.
- 3.41 Policy DM21 recognises the importance of Crystal Palace Football Club to the borough by stating that the Council will continue to support Selhurst Park as the home stadium of Crystal Palace Football Club and ensure that any redevelopment would enhance the club's position with a football stadium which makes a significant contribution to the Borough. This policy was not in the Preferred and Alternative Options consultation.
- 3.42 Policy DM22 proposes the protection of public houses with a number of

criteria that the applicant must satisfy before a change of use or demolition of a public house will be permitted. A new viability test will apply to ensure that viable public houses are retained.

- 3.43 Policy DM26 sets new higher standards for new development so that through the use of Sustainable Urban Drainage Systems within developments, when it rains, the run-off of water from the site is slower than it would be if the site was a green field that had never been developed. These high standards are justified because of the high risk of surface water flooding in many parts of the borough. Use of these higher standards should reduce the risk of flooding related to new development in the borough.
- 3.44 The National Planning Policy Framework creates a new designation of Local Green Space that aims to protect green spaces which are demonstrably special to a local community and hold a particular local significance, for example because of their beauty, historic significance, recreational value (including as a playing field), tranquillity or richness of their wildlife, and where the green space is in reasonably close proximity to the community it serves and local in character (rather than an extensive tract of land). Policy DM27 proposes that publically accessible areas not located within Metropolitan Green Belt or Metropolitan Open Land that are either nationally or locally important Historic Parks and Gardens, community gardens, children's play areas, tranquil areas, natural and semi-natural open spaces, sites of nature conservation importance, playing fields or recreation ground, or cemeteries, churchyards and burial grounds are designated as Local Green Space. In addition any non-publically accessible site that meets at least three of these criteria is also proposed as Local Green Space. Each Local Green Space would have the same level of protection as land currently located within Metropolitan Green Belt and almost all types of development would be considered inappropriate. The list below details all proposed Local Green Spaces in the borough:

- Addiscombe Railway Park
- Addiscombe Recreation Ground
- All Saints Churchyard, Sanderstead
- All Saints Graveyard, Sanderstead
- All Saints with St Margaret's Churchyard, Upper Norwood
- Alder Way Playground
- Apsley Road Playground
- Ashburton Park
- Ashen Grove
- Beaulieu Heights
- Beulah Hill Pond
- Biggin Wood
- Boulogne Road Playground
- Bourne Park
- Brickfields Meadow

- Canterbury Road Recreation Ground
- Castle Hill Avenue playground
- Chaldon Way Gardens
- College Green
- Convent Wood
- Copse Hill Spinney
- Coulsdon Coppice (Bleakfield Shaw)
- Coulsdon Coppice (North)
- Coulsdon Coppice (Stonyfield Shaw)
- Coulsdon Memorial Ground
- Dartnell Road Recreation Ground
- Duppas Hill
- Former Godstone Road allotments
- Foxley Wood and Sherwood Oaks
- Glade Wood
- Grangewood Park
- Green Lane Sports Ground
- Haling Grove
- Heavers Meadow & allotments
- Higher Drive Recreation Ground
- King Georges Field
- Land rear of Hilliards Heath Road
- Land rear of Honeysuckle Gardens
- Little Road Playground
- Lower Barn Road Green
- Millers Pond
- Norbury Hall
- Norbury Park
- Normanton Meadow
- Northwood Road Recreation Ground
- Park Hill Recreation Ground
- Parkfields Recreation Ground
- Peabody Close playing field and allotments
- Pollards Hill
- Pollards Hill Triangle
- Promenade du Verdun
- Purley Beeches
- Queen's Road Cemetery
- Roke Play Space
- Rotary Field
- St James Church Garden
- St John's Church
- St John's Church Memorial Garden

- St John's Memorial Garden (east)
- St John's Memorial Garden (north)
- St Peter's Churchyard
- Sanderstead Plantation
- Sanderstead Pond (and Green)
- Scrub Shaw
- Selsdon Recreation Ground
- Shirley Oaks playing field and wood
- Shirley Recreation Ground
- South Croydon Recreation Ground
- South Norwood Recreation ground
- Spring Park Wood
- Stambourne Woodland Walk
- Temple Avenue Copse
- The Lawns
- The Queen's Gardens
- The Ruffet
- Thornton Heath Recreation Ground
- Trumble Gardens
- Upper Norwood Recreation Ground
- Waddon Ponds
- Wandle Park
- Westow Park
- Wettern Tree Garden
- Whitehorse Meadow
- Whitehorse Road Recreation Ground
- Whitgift Pond
- Wilford Road Playground
- Woodcote Village Green
- Woodside Green

3.45 Policy DM28 protects Sites of Nature Conservation Importance in the borough. Following a review of all existing Sites of Nature Conservation Importance of Borough Grade I and II, and of Local Grade, as well as sites proposed following the October 2013 consultation on the Detailed Policies, a number of new Sites of Nature Conservation Importance are proposed. These are set out in the list below:

- Copse Hill Spinney
- Falconwood Meadow
- Grounds of Heathfield House
- Hamsey Green Pond
- Ladygrove
- Shirley Park Golf Course
- Spices Yard tree belt
- Temple Avenue Copse

- Whitgift Pond
- 3.46 Policy DM31 sets local standards for car and cycle parking in new development. In most cases the standards of the London Plan will apply in Croydon except in the following circumstances:
- Developers will be required to enable to provision of electric car charging bays in new residential development (which means put electricity cables throughout parking areas so a charging point can easily be added at a later date). This is instead of providing specific spaces so as to ensure that all occupiers could have an electric car;
 - In major residential developments at least 5% of the spaces of the total number of spaces should be for car clubs or pool cars with a minimum of 1 parking space plus additional spaces at a rate of 1 space for every 20 spaces below the maximum overall number of car parking spaces set out in Table 6.2 of the London Plan to enable residents of developments with reduced levels of car parking to have access to a car at all times; and
 - Cycle parking requirements will also include parking for motorcycles and mobility scooters within the existing London Plan standards.

Evolution of the suburbs, Place-specific policies and Detailed Proposals

3.47 Policies DM35 to DM51 set out the approach to the sustainable growth of the suburbs, the Place-specific policies and the Detailed Proposals.

3.48 Policy DM35 stipulates that across the borough growth will be accommodated through development that complements and enhances character. In particular it identifies four methods of accommodating sustainable growth across the borough, including the suburbs and improving Croydon as set out in the table below:

Method of accommodating growth and improving Croydon	How it works	Areas where it applies
Evolution without significant change of area's character	Each character type has a capacity for growth. Natural evolution is an ongoing process where development occurs in a way that positively responds to the local context and seeks to reinforce and enhance the existing predominant local character. Most development throughout the borough will be of this nature.	All areas that are not identified in the areas identified for intensification.
Guided intensification associated with enhancement of	Areas where the local character cannot be determined as a result of no one character being dominant	<ul style="list-style-type: none"> • New Addington District Centre • Addiscombe District Centre • Area between Addiscombe

Method of accommodating growth and improving Croydon	How it works	Areas where it applies
area's local character	further growth can be accommodated through place specific enhancement policies.	<p>Railway Park & Lower Addiscombe Road (Section between Leslie Park Road & Grant Road)</p> <ul style="list-style-type: none"> • Broad Green Local Centre • Area of the Lombard Roundabout • Area north of Broad Green Local Centre • Area of the junction of Windmill Road and Whitehorse Road • Croydon Opportunity Area (New Town and the Retail Core) • Croydon Opportunity Area (London Road area) • Croydon Opportunity Area (area along Sydenham and Lansdowne Road) • Norbury District Centre • Pollards Hill Local Centre • Purley District Centre and its environs • Environs of Reedham station • Area of the junction of Brighton Road and Purley Downs Road • Sanderstead Local Centre • Hamsey Green Local Centre • Selsdon District Centre • Shirley Local Centre • Area between 518 and 568 Wickham Road • Area of the Wickham Road Shopping Parade • Brighton Road (Selsdon Road) Local Centre • Section of Portland Road between the South Norwood Conservation Area and Watcombe Road • Section of Portland Road between Watcombe Road

Method of accommodating growth and improving Croydon	How it works	Areas where it applies
		<ul style="list-style-type: none"> and Woodside Avenue • Thornton Heath District Centre and environs • Thornton Heath Pond Local Centre and environs
Focussed intensification associated with change of area's local character	Further growth can be accommodated through more efficient use of infrastructure. Due to the high availability of community and commercial services intensification will be supported in and around District, Local and potential Neighbourhood Centres which have sufficient capacity for growth.	<ul style="list-style-type: none"> • Area around Kenley station • Brighton Road (Sanderstead Road) Local Centre with its setting • Around Forestdale Neighbourhood Centre • Setting of the Sanderstead Local Centre • Settings of Shirley Local Centre and Shirley Road Neighbourhood Centre
Redevelopment	In larger areas where growth would result in a change to the local character it must be supported by masterplans or design codes.	<ul style="list-style-type: none"> • Croydon Opportunity Area (All) • Potential new Local Centre at Valley Park • Waddon's potential new Local Centre at Fiveways

3.49 Policies DM32-DM51 also set out the preferred options for site allocations across the borough (the Detailed Proposals). The table below shows each of the proposed allocations in each of the sixteen Places of Croydon.

Ref no	Site name	Proposed use	Place
44	Central Parade West, Central Parade	Mixed development including residential, community, healthcare facility, leisure, retail and open space	Addington
120	Timebridge Community Centre, Field Way	Residential development including replacement community facilities. Any loss of playing fields must be reprovided and provision of a family centre shall be continuous during the construction stage.	Addington

Ref no	Site name	Proposed use	Place
636	Land west of Timebridge Community Centre, Lodge Lane	Secondary school	Addington
68	130 Oval Road	Residential development	Addiscombe
116	Rees House & Morland Lodge, Morland Road	Secondary School	Addiscombe
474	Rear of The Cricketers, 47 Shirley Road	Residential development	Addiscombe
78	114-118 Whitehorse Road	Residential conversion and extension	Broad Green & Selhurst
119	Amenity land at Croydon AFC stadium, Mayfield Road	Primary school with access to playing field for community use outside of school hours	Broad Green & Selhurst
157	Canterbury Mill, 103 Canterbury Road	New primary school	Broad Green & Selhurst
314	Valley Park (B&Q and Units A-G Daniell Way), Hesterman Way	Redevelopment of this area to a mixture of residential, retail, healthcare facility (if required by the NHS), community and leisure to form the basis of a new residential community and local centre.	Broad Green & Selhurst
334	Valley Leisure Park, Hesterman Way	Redevelopment of this area to a mixture of residential, retail, healthcare facility (if required by the NHS), community and leisure to form the basis of a new residential community and local centre.	Broad Green & Selhurst
337	Zodiac Court, 161-183 London Road	Residential redevelopment	Broad Green & Selhurst
348	Homebase & Matalan stores, 60-66 Purley Way	Mixed use residential and retail development	Broad Green & Selhurst
396	Praise House, 145-149 London Road	Redevelopment for mixed use residential and community use	Broad Green & Selhurst
404	Vistec House & 14 Cavendish Road, 185 London Road	Residential development	Broad Green & Selhurst

Ref no	Site name	Proposed use	Place
416	Challenge House, 618 Mitcham Road	Residential redevelopment or conversion. Conversion would need to adhere to Local Plan and London Plan Standards to improve the sustainability of the development.	Broad Green & Selhurst
471	Masonic Hall car park, 1- 1B Stanton Road	Residential development	Broad Green & Selhurst
517	Milton House, 2-36 Milton Avenue	Residential and employment uses	Broad Green & Selhurst
60	Cane Hill Hospital Site, Farthing Way	Residential development with new community, health and educational facilities	Coulsdon
372	Car park, Lion Green Road	Mixed use development comprising leisure, community facilities and retention of car parking spaces. Also retail so long as the current planning permission is extant.	Coulsdon
764	Land to the east of Portnalls Road, Portnalls Road	Secondary school	Coulsdon
945	Waitrose, 110-112 Brighton Road	Residential and healthcare facilities	Coulsdon
21	Former Royal Mail Sorting Office, 1-5 Addiscombe Road	Mixed use development incorporating residential, hotel and/or office. Also retail so long as the current planning permission is extant.	Croydon Opportunity Area
31	Croydon College car park, College Road	Mixed use redevelopment comprising hotel & residential	Croydon Opportunity Area
32	4-20 Edridge Road	Residential development	Croydon Opportunity Area
50	44-60 Cherry Orchard Road	Residential development	Croydon Opportunity Area
104	Former Taberner House site, Fell Road	Residential development	Croydon Opportunity Area

Ref no	Site name	Proposed use	Place
123	Prospect West and car park to the rear of, 81-85 Station Road	Residential (with healthcare facility if required by NHS). It is recommended that basements are not considered at this site. Further ground investigations would be required at this site to confirm the likelihood of groundwater occurrence. There is one historic record of surface water flooding held by the Council in this location.	Croydon Opportunity Area
138	Cherry Orchard Gardens and site between railway line and Cherry Orchard Road, Cherry Orchard Road	Mixed use development comprising residential, offices, restaurant/café, hotel and community facilities	Croydon Opportunity Area
142	1 Lansdowne Road	Mixed use development comprising residential, offices, leisure and hotel	Croydon Opportunity Area
155	St Anne's House & Cambridge House, 20-26 Wellesley Road	Conversion of building to residential and hotel	Croydon Opportunity Area
162	St George's House, Park Lane	Conversion and extension of existing building to provide retail and other Class A activities (such as food and drink) on the ground floor with residential accommodation on upper floors. There is one historic record of surface water flooding held by the Council in this location.	Croydon Opportunity Area
172	Ruskin Square and surface car park, 61 Dingwall Road and Lansdowne Road	Mixed use development comprising residential, offices, restaurant/café and fitness centre	Croydon Opportunity Area
173	28-30 Addiscombe Grove	Redevelopment to provide more homes	Croydon Opportunity Area

Ref no	Site name	Proposed use	Place
174	30-38 Addiscombe Road	Residential development. It should be noted that ordinary watercourses have not have been included in the fluvial modelling of the River Wandle and therefore a fluvial flood risk from this watercourse may be present. As set out in Section 11.3.2 of the Level 1 SFRA, applicants considering development of this site may need to prepare a simple hydraulic model to enable a more accurate assessment of the probability of flooding associated with this ordinary watercourse to inform the site specific FRA. This should be carried out in line with industry standards and in agreement with the LLFA.	Croydon Opportunity Area
175	Stephenson House, Cherry Orchard Road	Primary school with residential and/or office on upper floors	Croydon Opportunity Area
176	Exchange Court, 3 Bedford Park	Offices and residential and/or hotel (with healthcare facility if required by the NHS)	Croydon Opportunity Area
178	Arcadia House, 5 Cairo New Road	Residential development and Class B business use	Croydon Opportunity Area
182	St Mathews House, 98 George Street	Redevelopment for residential and/or offices and/or retail (on George Street frontage)	Croydon Opportunity Area
184	1-19 Derby Road	Residential development above, community uses on lower floors	Croydon Opportunity Area
186	Jobcentre, 17-21 Dingwall Road	Offices and/or residential and/or hotel and/or replacement Class A2 (Finance) premises (with healthcare facility if required by the NHS)	Croydon Opportunity Area

Ref no	Site name	Proposed use	Place
187	28 Dingwall Road	Offices and residential and/or hotel (with healthcare facility if required by the NHS)	Croydon Opportunity Area
189	Car parks, Drummond Road	Residential development	Croydon Opportunity Area
190	Car park to the rear of Leon House, 22-24 Edridge Road	Residential development. Self-contained residential basements and bedrooms at basement level are not permitted in areas that have 'potential for groundwater to occur at the surface' (BGS Susceptibility to Groundwater Flooding).	Croydon Opportunity Area
192	Suffolk House, George Street	Mixed use redevelopment with offices or residential dwellings above retail units at ground level	Croydon Opportunity Area
193	100 George Street	Mixed use development with offices or residential dwellings above retail units at ground level	Croydon Opportunity Area
194	St George's Walk, Katharine House and Park House, Park Street	Residential and retail with new civic space.	Croydon Opportunity Area

Ref no	Site name	Proposed use	Place
195	Leon House, 233 High Street	Conversion to residential or mixed use residential/office with retention of retail on the ground floor. It should be noted that ordinary watercourses have not have been included in the fluvial modelling of the River Wandle and therefore a fluvial flood risk from this watercourse may be present. Self-contained residential basements and bedrooms at basement level are not permitted in areas that have 'potential for groundwater to occur at the surface' (BGS Susceptibility to Groundwater Flooding).	Croydon Opportunity Area
196	Stonewest House, 1 Lamberts Place	Residential development	Croydon Opportunity Area
197	Emerald House, 7-15 Lansdowne Road	Office and residential and/or hotel (with healthcare facility if required by the NHS)	Croydon Opportunity Area
199	20 Lansdowne Road	Residential development with light industrial workshops and studio spaces	Croydon Opportunity Area
200	Multi-storey car park, Lansdowne Road	Mixed use, public car park and residential.	Croydon Opportunity Area
201	Lidl, Easy Gym and car park, 99-101 London Road	Primary school with residential development on upper floors	Croydon Opportunity Area

Ref no	Site name	Proposed use	Place
203	West Croydon station and shops, 176 North End	Remodelling of station and redevelopment to provide an improved transport interchange, cycle hub, retail & office units with residential development above. In the surrounding area, surface water flood risk is generally low. However, Station Road and the A212 have areas shown to be at high risk from surface water flooding. There are two historic records of surface water flooding held by Croydon Council in this location.	Croydon Opportunity Area
211	Poplar Walk car park and, 16-44 Station Road	A more intensive use of the site with 232 residential units as part of an overall redevelopment of the site which includes re-provision of retail uses, car and cycle parking and a public square.	Croydon Opportunity Area
218	Lunar House, Wellesley Road	Office and residential and/or hotel (with healthcare facility if required by the NHS) if the site is no longer required by the Home Office.	Croydon Opportunity Area
220	9-11 Wellesley Road	Residential and/or hotel and/or retail and/or finance	Croydon Opportunity Area
222	Multi-storey car park, 1 Whitgift Street	Residential with community facilities commensurate in size and functionality to that currently on the site	Croydon Opportunity Area
231	Segas House, Park Lane	Residential conversion with cultural uses if required (with town centres uses considered if there is no interest in delivery of cultural uses).	Croydon Opportunity Area

Ref no	Site name	Proposed use	Place
234	Southern House, Wellesley Grove	Offices and residential and/or hotel (with healthcare facility if required by the NHS)	Croydon Opportunity Area
236	Apollo House, Wellesley Road	Offices and residential and/or hotel (with healthcare facility if required by the NHS) if the site is no longer required by the Home Office. There is one record of sewer flooding.	Croydon Opportunity Area
242	Davis House, Robert Street	Residential development with limited retail to replace existing floor space	Croydon Opportunity Area
245	Mondial House, 102 George Street	Office and/or residential development or offices or hotel and/or retail (on George Street frontage)	Croydon Opportunity Area
247	Norwich Union House, 96 George Street	Offices with residential development or hotel and/or retail (on George Street frontage)	Croydon Opportunity Area
294	Croydon College Annex, Barclay Road	Residential redevelopment with community uses and Creative and Cultural Industries Enterprise Centre. There is one record of sewer flooding.	Croydon Opportunity Area
311	Mott Macdonald House, 8 Sydenham Road	Offices and residential and/or hotel (with healthcare facility if required by the NHS)	Croydon Opportunity Area

Ref no	Site name	Proposed use	Place
374	Reeves Corner former buildings, 104-112 Church Street	Mixed use with residential to upper storeys and retail on ground floor. Self-contained residential basements and bedrooms at basement level are not permitted in areas that have 'potential for groundwater to occur at the surface' (BGS Susceptibility to Groundwater Flooding). A high risk of surface water flooding surrounds the site, particularly across the road network such as Cairo New Road and Church Street. There is one historic record of surface water flooding held by Croydon Council in this location.	Croydon Opportunity Area
375	Northern part of, 5 Cairo New Road	Residential redevelopment above community use. The surrounding areas of Cairo New Road and Roman Way are shown to be at a high risk of surface water flooding.	Croydon Opportunity Area
392	Carolyn House, 22-26 Dingwall Road	Offices and residential and/or hotel (with healthcare facility if required by the NHS)	Croydon Opportunity Area

Ref no	Site name	Proposed use	Place
393	Whitgift Centre, North End	Expansion of shopping centre, improved public realm and residential development and car parking provision. The majority of the site is shown to be at a very low risk. The surrounding areas are generally at a low risk of surface water flooding with the areas of the road network (i.e. Wellesley Road) being shown to be at high risk. There are three historic records of surface water flooding and one historic record of sewer flooding.	Croydon Opportunity Area
398	Coombe Cross, 2-4 South End	Residential development. It should be noted that ordinary watercourses have not have been included in the fluvial modelling of the River Wandle and therefore a fluvial flood risk from this watercourse may be present. There are further areas of medium risk of surface water flooding to the west of the site. The surrounding area is generally an area of low to medium surface water flood risk. However, there are areas of high risk in regards to surface water flooding in areas such as Parker Road and South End. There are two historic records of surface water flooding.	Croydon Opportunity Area
417	Stonemead House, 95 London Road	Residential	Croydon Opportunity Area
450	Lennard Lodge, 3 Lennard Road	Residential development	Croydon Opportunity Area
488	Canisus House, 1 Scarbrook Road	Residential conversion	Croydon Opportunity Area

Ref no	Site name	Proposed use	Place
489	Corinthian House, 17 Lansdowne Road	Retention of offices with residential conversion, and/or hotel (with healthcare facility if required by the NHS)	Croydon Opportunity Area
492	5 Bedford Park	Residential conversion	Croydon Opportunity Area
493	Pinnacle House, 8 Bedford Park	Mixed use of residential with offices (or a healthcare facility if required by the NHS) on the ground floor	Croydon Opportunity Area
522	Surface car park, Wandle Road	Bus stand underneath the flyover and a district energy centre and residential development on the remainder of the car park. The majority of the site is within Flood Zone 3a to the south-west and the rest of the site are within Flood Zone 1. This More Vulnerable development should be preferably located in Flood Zone 1. If it is essential to build on Flood Zone 3a, then all residential uses should be located in the first floor level or above. Self-contained residential basements and bedrooms at basement level are not permitted in areas that have 'potential for groundwater to occur at the surface' (BGS Susceptibility to Groundwater Flooding).	Croydon Opportunity Area
950	Norfolk House, 01-28 Wellesley Road	Mixed use development to include retail, residential, office and hotel uses (up to 7000sqm commercial floorspace).	Croydon Opportunity Area
28	Bowyers Yard, Bedwardine Road	Cultural and Creative Industries Enterprise Centre	Crystal Palace & Upper Norwood

Ref no	Site name	Proposed use	Place
80	Victory Place	Ground floor retail, restaurant and studio space with hotel, office/or and residential uses on other floors	Crystal Palace & Upper Norwood
82	St John The Evangelist Vicarage, Sylvan Road	Redevelopment to provide new hall and residential dwellings	Crystal Palace & Upper Norwood
357	Norwood Heights Shopping Centre, Westow Street	Retail, replacement community use and residential	Crystal Palace & Upper Norwood
420	87-91 Biggin Hill	Residential development	Crystal Palace & Upper Norwood
937	Kempsfield House, 1 Reedham Park Avenue	Residential development with community use	Kenley and Old Coulsdon
284	Asharia House, 50 Northwood Road	Residential development including replacement community facility	Norbury
320	S G Smith, 409-411 Beulah Hill	Retail supermarket on ground floor with residential above	Norbury
951	1485-1489 London Road	Redevelopment for residential and retail	Norbury
30	Purley Leisure Centre, car park and former Sainsbury's Supermarket, High Street	Mixed use redevelopment incorporating public car park, new leisure facilities, including a swimming pool, and other community facilities, healthcare facility, creative and cultural industries enterprise centre, retail or residential accommodation.	Purley
35	Purley Baptist Church, 2-12 Banstead Road	Mixed use redevelopment comprising new church, community facility and residential, with development located outside Flood Zone 2 and 3a.	Purley
61	Car park, 54-58 Whytecliffe Road South	Residential use with retention of car parking spaces	Purley
66	1-3 Pampisford Road	Residential development	Purley
130	1-9 Banstead Road	Residential	Purley
324	Purley Oaks Depot, 505-600 Brighton Road	Gypsy and Traveller pitches	Purley

Ref no	Site name	Proposed use	Place
325	Telephone Exchange, 88-90 Brighton Road	Conversion of existing building to residential use if no longer required as a telephone exchange in the future	Purley
347	Tesco, 2 Purley Road	Mixed use residential, healthcare facility (if required by the NHS) and retail development	Purley
405	Capella Court & Royal Oak Centre, 725 Brighton Road	Residential development and health facility, with no net loss of flood storage capacity	Purley
409	Beech House, 840 Brighton Road	Conversion of the office building to residential uses.	Purley
410	100 Brighton Road	Mixed use residential and retail development	Purley
411	Palmerston House, 814 Brighton Road	Residential redevelopment	Purley
490	95-111 Brighton Road	Primary school	Purley
495	Dairy Crest dairy, 823-825 Brighton Road	Conversion of buildings fronting Brighton Road to studio space (with potential for a Creative and Cultural Industries Enterprise Centre serving Purley) with new light industrial units to the rear	Purley
683	Purley Back Lanes, 16-28 Pampisford Road	Residential development and public car park including new industrial units to replace those currently on the site	Purley
306	The Good Companions Public House site, 251 Tithe Pit Shaw Lane	Mixed use of residential and retail	Sanderstead
947	359-367 Limpsfield Road	Residential with 1 - 3 commercial units on ground floor.	Sanderstead
948	230 Addington Road	Residential with retail on ground floor (up to 3 units).	Selsdon
128	Land at, Poppy Lane	Residential development	Shirley

Ref no	Site name	Proposed use	Place
502	Coombe Farm, Oaks Road	Residential development so long as the development has no greater footprint, volume or impact on openness on the Metropolitan Green Belt than the existing buildings on the site	Shirley
504	Stroud Green Pumping Station, 140 Primrose Lane	Residential development (including the conversion of the Locally Listed pumping station) if the site is no longer required for its current use in the future. It should be noted that ordinary watercourses have not have been included in the fluvial modelling of the River Wandle and therefore a fluvial flood risk from this watercourse may be present.	Shirley
54	BMW House, 375-401 Brighton Road	Mixed use residential and supermarket. The site is located within Flood Zone 3a associated with the culverted River Wandle. At this location , the culverted River Wandle has been incorporated into the surface water sewer system as it flows north below the A235 Brighton Road. A Flood Warning and Evacuation Management Plan must be prepared for the site.	South Croydon
345	Normanton Park Hotel, 34-36 Normanton Road	Residential development with primary school expansion if required (otherwise the whole site may be used for residential development).	South Croydon
662	Coombe Road Playing Fields, Coombe Road	Secondary school with retention of playing pitches	South Croydon

Ref no	Site name	Proposed use	Place
97	24 Station Road	Residential development with a retail unit	South Norwood & Woodside
137	Paxton House, 9 Cargreen Road	Residential development	South Norwood & Woodside
486	Land and car park at rear of The Beehive Public House, 45A Woodside Green	Residential development	South Norwood & Woodside
115	Cheriton House, 20 Chipstead Avenue	Residential redevelopment	Thornton Heath
129	843 London Road	Primary school	Thornton Heath
136	Supermarket, car park, 54 Brigstock Road	Mixed use of residential, retail along Brigstock Road, and employment use	Thornton Heath
248	18-28 Thornton Road	Residential development	Thornton Heath
286	35-47 Osborne Road	Residential development	Thornton Heath
295	2 Zion Place	Residential development	Thornton Heath
326	Ambassador House, 3-17 Brigstock Road	Mixed use conversion comprising residential, retail and community facilities	Thornton Heath
400	Day Lewis House, 324-338 Bensham Lane	Residential redevelopment	Thornton Heath
407	797 London Road	Conversion or redevelopment to residential use	Thornton Heath
468	Grass area adjacent to, 55 Pawsons Road	Residential development	Thornton Heath
499	Croydon University Hospital Site, London Road	Consolidation of the hospital uses on a smaller area of the site with enabling residential development on remaining part subject to there being no loss of services provided by the hospital in terms of both quantity and quality	Thornton Heath
11	Croydon Garden Centre, 89 Waddon Way	Residential development	Waddon
16	Heath Clark, Stafford Road	Secondary School and residential development subject to access from Stafford Road	Waddon

Ref no	Site name	Proposed use	Place
25	Morrisons Supermarket, 500 Purley Way	Redevelopment of a mix of residential, retail, commercial and community uses to form the basis of a new residential community. It is recommended that basements are not considered at this site. Further ground investigations would be required at this site to confirm the likelihood of groundwater occurrence.	Waddon
48	294-330 Purley Way	Mixed use development comprising retail store, commercial space and residential units	Waddon
301	Sea Cadet Training Centre, 34 The Waldrons	Residential use with community use	Waddon
316	PC World, 2 Trojan Way	Redevelopment of this area to a mixture of residential, retail and commercial use, healthcare facility (if required by the NHS) and community uses to form the basis of a new residential community	Waddon
332	Superstores, Drury Crescent	Redevelopment of this area to a mixture of residential, retail, healthcare facility (if required by the NHS) and community uses to form the basis of a new residential community	Waddon

Ref no	Site name	Proposed use	Place
349	Harveys Furnishing Group Ltd, 230-250 Purley Way	Redevelopment of this area to a mixture of residential, retail and commercial use, healthcare facility (if required by the NHS) and community uses to form the basis of a new residential community. As the site is partly within a Flood Zone 3 it will be subject to the Sequential Test as part of the Strategic Flood Risk Assessment.	Waddon
350	Wing Yip, 544 Purley Way	Redevelopment of a mix of residential, retail, commercial and community uses to form the basis of a new residential community	Waddon
351	Furniture Village, 222 Purley Way	Redevelopment of this area to a mixture of residential, retail, healthcare facility (if required by NHS) and community uses to form the basis of a new residential community	Waddon
355	Decathlon, 2 Trafalgar Way	Redevelopment of this area to a mixture of residential, retail, healthcare facility (if required by the NHS) and community uses to form the basis of a new residential community	Waddon
430	Grafton Quarter, Grafton Road	Creative and Cultural Industries Enterprise Centre and residential development	Waddon
946	Stubbs Mead Depot, Factory Lane	Mixed residential and employment (industry and warehousing)	Waddon

4. CONSULTATION

- 4.1 The draft Detailed Policies and Proposals (Proposed Submission) has been prepared by the Spatial Planning Service with significant assistance from the Development Management and Strategic Transport services. It is presented as a justified and effective planning policy

framework.

- 4.2 Other Croydon Council divisions have also been involved with the preparation of the draft Detailed Policies and Proposals (Proposed Submission), notably Public Health, Streets, Safety and District Centres & Regeneration.
- 4.3 The Council has additionally worked with NHS England, the Croydon Clinical Commissioning Group, the Mayor of London, Transport for London and Network Rail on specific aspects of the Croydon Local Plan: Detailed Policies and Proposals.
- 4.4 Proposed allocations have also been shared with a large proportion of the owners of specific sites to ensure that all of the listed proposal sites have the potential for being developed by 2036. Sites where the landowner had no intention of developing the site by 2036 have not been included in the Detailed Proposals.
- 4.5 Recommendation 1.3 is necessary to ensure that at the time the formal publication period on the Croydon Local Plan: Detailed Policies and Proposals commences (a few weeks post Cabinet) the Plan is up to date, factually correct and minor amendments can be made to support the publication.
- 4.6 The Croydon Local Plan: Detailed Policies and Proposals (Preferred and Alternative Options) was consulted on from 6 November to 18 December 2015. Posters were displayed in the libraries and copies of the documents made available. The consultation was also publicised on the Council's website, and on Facebook and Twitter, the latter daily reminding the public about the dates and locations of the consultation. A new platform of social media called Street Life also posted the same post as the Facebook page onto their webpage. There were six drop in events for the Croydon Local Plan covering both the Strategic Policies – Partial Review and the Detailed Policies and Proposals with five events focusing on specific Places and with one event covering the whole of the borough. However all Places could be discussed at any of the events. They were held on three Wednesdays, two Tuesdays and one Saturday, with the weekday venues opening for 3.5 to 4.5 hours commencing from 3.30pm, depending on availability of the venue, the latest start being 4.30pm, and all ending at around 8pm. The weekday events were held at Addington Community Centre, New Addington, St John's Community Hall, Selsdon, Christ Church Methodist Church Hall, Addiscombe, Purley Baptist Church and South Norwood Methodist Church. The Saturday event was held at the Community Space in Bernhard Weatherill from 10 am to 2pm and covered the entire borough. A total of 831 people signed in at the events.
- 4.7 Site notices were also placed around all preferred proposal sites which included details of the proposed use, nearby consultation events and how to comment on the draft Croydon Local Plan: Detailed Policies and Proposals (Preferred and Alternative Options).

- 4.8 The draft Croydon Local Plan: Detailed Policies and Proposals (Proposed Submission) takes into consideration the responses to the November 2015 consultation on the Detailed Policies and Proposals. A summary of those consultation responses and the amendments made to the draft Croydon Local Plan: Detailed Policies and Proposals (Proposed Submission) are set out in appendix 5. Note that where there were no comments that entailed any further consideration and/or changes, the policies have been omitted in the table. The full consultation log can be found in Appendix 4 to this report. At the end of the consultation period 5,843 individual people and organisations made duly made representations on the Croydon Local Plan: Detailed Policies and Proposals (Preferred and Alternative Options).
- 4.9 A total of 1,493 representations of 8,159 representations received were not duly made. Of these 560 were not duly made because they did not have a named person and/or postal or e-mail address. The Council received 771 (of the 1,493), representations containing discriminatory comments about Romany Gypsies, English Gypsies or Irish Travellers, or another specific ethnic group. These were not considered duly made as they contravene the Equality Act 2010. 140 out of the 1,493 not duly made representations were not considered to be duly made because they arrived after the close of the consultation and were therefore considered to be late. These statistics cover both the Detailed Policies and Proposals (Preferred and Alternative Options) and the Strategic Policies – Partial Review (Preferred and Alternative Options).
- 4.11 The next stage in preparing the Croydon Local Plan: Detailed Policies and Proposals is to publish the Proposed Submission draft for comment with all comments to be sent to the Planning Inspectorate for consideration by an independent Planning Inspector at an Examination in Public. This report is seeking endorsement to publish the Detailed Policies and Proposals (Proposed Submission) report for comment. This will fulfil the requirements of Regulation 19 of the Town and Country Planning (Local Planning) (England) Regulations 2012 and the Council's adopted Statement of Community Involvement 2012. The publication is not a consultation as the Council is not able to make changes to the Local Plan following publication. Any proposed changes will be considered by the independent planning inspector. The Council is however able to recommend main modifications to the planning inspector. Any main modifications arising from the publication of the Proposed Submission report will be presented to Council with the report seeking approval to submit the Croydon Local Plan: Detailed Policies and Proposals to the Planning Inspectorate.
- 4.12 The publication will be communicated by the following:
- Emails and/or letter to the Local Plan consultee database, regularly updated- a list of all the organisations and stakeholders, Croydon engages with on planning documents, this includes the Duty to Cooperate authorities, Statutory Bodies, landowners and developers and local community organisations, businesses and residents.

- Printed media and libraries – adverts in the local newspaper, and council communications including e-bulletins to promote the publication period
- A printed copy of the Croydon Local Plan: Detailed Policies and Proposals (Proposed Submission) will be provided for all Councillors at the start of the Publication period.
- The Proposed Submission documents will be sent to all the libraries with promotional material such as posters for notice boards. Opportunities for information stands will be considered.
- Web pages, and social media such as Facebook, Wordpress, Youtube and Flickr will be utilised to reach as many people as possible

4.13 It is planned that Submission of the Croydon Local Plan: Detailed Policies and Proposals and any main modifications will be reported to Council on 5 December 2016.

5 FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

5.1

1 Revenue and Capital consequences of report recommendations

	Current year	Medium Term Financial Strategy – 3 year forecast		
	2016/17 £'000	2017/18 £'000	2018/19 £'000	2019/20 £'000
Revenue Budget available				
Expenditure	253	148		
Effect of decision from report				
Expenditure (previously agreed)	0	0		
Expenditure	105	40		
Remaining budget	<u>148</u>	<u>108</u>		

2 The effect of the decision

The draft Croydon Local Plan: Detailed Policies and Proposals (Proposed Submission) report is one stage in the process of preparing the Croydon Local Plan: Detailed Policies and Proposals. Publication prior to submission is a statutory requirement in preparing a Development Plan Document, of which the Croydon Local Plan: Detailed Policies and Proposals is one. All the current work required to support the Croydon Local Plan: Detailed Policies and Proposals is accounted for within the current Spatial Planning Service resource level and Local Plan budget (reserve). Other future expenditure is limited to staff costs funded from the staff budget for the Spatial Planning service, expenditure associated with the Detailed Policies and Proposals (Proposed Submission) report (publishing costs), a

statutory Examination in Public (submission of the plan and facilitation costs), and the adoption of the Croydon Local Plan: Detailed Policies and Proposals (publishing costs). All of these costs will be funded from the Local Plan Budget (reserve). There is an earmarked reserve of £253k for the delivery of the Croydon Local Plan and the expenditure for this element of the Local Plan can be funded from within it. Once the expenditure in this report has been realised this reserve will be fully spent and an additional £2k budget will be required to fund the project. This will be funded through existing revenue budgets or through reduced spending up to 2018.

3 Risks

The preparation of the Croydon Local Plan: Detailed Policies and Proposals is a complex multi-stage process, being prepared to a tight timetable. There is therefore inherent risk that any unforeseen circumstances, additional analysis or legal challenge will result in additional financial costs above those available and could delay the final adoption of the Croydon Local Plan: Detailed Policies and Proposals.

These are being mitigated to reduce their impact with a programme management approach and up front communication with key stakeholders including statutory organisations. Further work is currently being undertaken to monitor the processes to ensure the document is found to be sound and based on up to date evidence.

As the Croydon Local Plan: Detailed Policies and Proposals will be part of the overarching Local Planning Authority's spatial planning strategy for the next twenty years, it is also essential that it is of sufficient quality and purpose to ensure the Council can achieve its Vision.

4 Options

There are no options with regard to publication, as the processes being undertaken is specified by statutory requirements.

In the absence of the Croydon Local Plan: Detailed Policies and Proposals future planning decisions will be at risk of challenge as existing saved policies of the Unitary Development Plan could have reduced weight if they don't conform with the government's planning policies as expressed in the National Planning Policy Framework.

5 Future savings/efficiencies

A sound Croydon Local Plan: Detailed Policies and Proposals will contribute indirect financial savings by assisting the regeneration of the borough through the setting of firm planning framework that will provide certainty to the community and developers and mitigate cost associated with planning appeals.

6 Approved by: Zulfiqar Darr, Interim Head of Finance - Place & Resources

6. COMMENTS OF THE COUNCIL SOLICITOR AND MONITORING OFFICER

6.1 The Council Solicitor comments that the draft Croydon Local Plan: Detailed Policies and Proposals (Proposed Submission) forms the basis of pre-submission publication of the Croydon Local Plan: Detailed Policies and Proposals in accordance with Regulation 19 of the Town and Country Planning (Local Planning) (England) Regulations 2012 and the Council's adopted

Statement of Community Involvement 2012. It will also contribute towards compliance with the Duty to Cooperate as required under Section 33A (1) (c) of the Planning and Compulsory Purchase Act 2004.

Approved by Sean Murphy – Principal Corporate Solicitor (Regeneration) on behalf of the Acting Council Solicitor & Acting Monitoring Officer.

7. HUMAN RESOURCES IMPACT

- 7.1 There are no direct Human Resources considerations arising from this report in terms of impact on staff. However, consultation on the Croydon Local Plan: Detailed Policies and Proposals (Proposed Submission) can be undertaken in a proportionate manner with the current Spatial Planning resource level and availability.

Approved by Adrian Prescod, HR Business Partner, for and on behalf of Director of HR, Resources department.

8. EQUALITIES IMPACT

- 8.1 The draft Croydon Local Plan: Detailed Policies and Proposals (Preferred and Alternative Options) was subject to an Equality Analysis, which assessed the draft Plan's impact on equalities and mitigation measures have been taken into account where necessary. The equality analysis was undertaken to assess the likely impact on protected groups. This concluded that a full analysis would not be required as the draft Croydon Local Plan: Detailed Policies and Proposals (Preferred and Alternative Options) would not have any adverse impact on protected groups compared to non-protected groups. The analysis found a number of equality and inclusion issues that would be likely to have a positive impact e.g. the construction of three bedroom homes will provide extra housing for Croydon communities and the provision. Therefore no further Equalities Analysis has been undertaken on the Croydon Local Plan: Detailed Policies and Proposals (Proposed Submission) and it is not included as a background paper to this report.

9. ENVIRONMENTAL IMPACT

- 9.1 A full Sustainability Appraisal (incorporating a Strategic Environmental Assessment) of the draft Croydon Local Plan: Detailed Policies and Proposals (Proposed Submission) has been prepared and the findings incorporated into the Proposed Submission report. A Scoping Report on the sustainability objectives was published on 7 August 2012 and was thereupon subject to a five week consultation.

10. CRIME AND DISORDER REDUCTION IMPACT

- 10.1 The draft Croydon Local Plan: Detailed Policies and Proposals (Proposed Submission) report does not have an impact on the reduction or prevention of crime and disorder.

11. REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

- 11.1 Publication of the Proposed Submission report is an essential and statutory requirement in preparing the Croydon Local Plan: Detailed Policies and Proposals. The draft Croydon Local Plan: Detailed Policies and Proposals (Proposed Submission) report is considered to be positively prepared, justified, effective and consistent with national policy. It is presented as a draft planning policy framework and list of proposal sites and therefore is able to be published for representations to be made by interested parties on the development of the Croydon Local Plan: Detailed Policies and Proposals.
- 11.2 In the absence of the Croydon Local Plan: Detailed Policies and Proposals future planning decisions will be at risk of challenge as there could be the absence of an up to date development plan and possible non-conformity with London Plan policy.
- 11.3 The Housing and Planning Act 2016 introduces the ability of the Secretary of State to intervene in a Council's plan making if they don't have an up to date Local Plan by 2017. Progression of the Council's Local Plan keeps plan making in the Council's control.

12. OPTIONS CONSIDERED AND REJECTED

- 12.1 There are no options with regard to publication as the processes being undertaken is specified by statutory requirements. The Croydon Local Plan: Detailed Policies and Proposals (Preferred and Alternative Options) report contained all the options previously considered and rejected. This has been consulted upon and following the responses taken into account in preparing the draft Croydon Local Plan (Proposed Submission) It is proposed that the draft Croydon Local Plan: Detailed Policies and Proposals (Proposed Submission) report be published so representations can be made by interested parties and those representations can be considered at Examination in Public by an independent Planning Inspector.

CONTACT OFFICER: Steve Dennington, Interim Head of Spatial Planning (ext. 64973)

BACKGROUND PAPERS - LOCAL GOVERNMENT ACT 1972

(Available via

<https://secure.croydon.gov.uk/akscroydon/users/public/admin/kabmenu.pl?cmte=CAB>)

- Evidence base for Croydon Local Plan: Strategic Policies Partial Review (Proposed Submission) of the Sustainability Appraisal
- Consultation log (including approved Council response to comments) for the Croydon Local Plan: Detailed Policies (Preferred and Alternative Options) consultation, October 2013

APPENDICES

(Available via

<https://secure.croydon.gov.uk/akscroydon/users/public/admin/kabmenu.pl?cmte=CAB>)

Appendix 1 – Draft Croydon Local Plan: Detailed Policies and Proposals (Proposed Submission)

Appendix 2 – Draft Croydon Local Plan (Proposed Submission) Policies Map and Addendum (the Policies Map layers shown on the Addendum supersede the Draft Croydon Local Plan (Proposed Submission) Policies Map and are those to be approved).

Appendix 3 – Saved policies of the Unitary Development Plan to be deleted upon adoption of the Croydon Local Plan: Detailed Policies and Proposals DPD

Appendix 4 – Consultation log (including draft Council response to comments) for the Croydon Local Plan: Detailed Policies and Proposals (Preferred and Alternative Options) consultation, November 2015

Appendix 5 - Summary of the main comments received on Croydon Local Plan: Detailed Policies and Proposals (Preferred and Alternative Options) consultation November 2015 and the Council's response and changes made to Croydon Local Plan: Detailed Policies and Proposals (Proposed Submission).

For General Release

REPORT TO:	CABINET 11 July 2016
AGENDA ITEM:	8
SUBJECT:	Growth Zone – Overview and Financial Arrangements for Repayment
LEAD OFFICER:	Jo Negrini, Acting Chief Executive Heather Cheesbrough, Director of Planning & Strategic Transport
CABINET MEMBER:	Councillor Alison Butler Statutory Deputy Leader and Cabinet Member for Homes, Regeneration and Planning Councillor Simon Hall Cabinet Member for Finance and Treasury
WARDS:	All wards

CORPORATE PRIORITY/POLICY CONTEXT

AMBITIOUS FOR CROYDON AND WHY WE ARE DOING THIS?

The proposals presented in this report provide for the infrastructure enables: development and economic growth in Croydon leading to:

- 23,594 new jobs
- a further 5,097 jobs during construction phase
- at least 10,000 new homes
- the wholesale renewal of the retail core ensuring the metropolitan centre is an attractive place to live, work and invest.

CROYDON'S DRAFT COMMUNITY STRATGEY 2016-21

- The proposals presented in this report will help deliver key outcomes from Croydon's draft Community Strategy 2016-21 recommended by Cabinet for adoption by full Council in July:
- Outcome 1 – A great place to learn, work and live
- Outcome 2 – A place of opportunity for everyone
- Outcome 3 – A place with a vibrant and connected community and voluntary sector

OPPORTUNITY AREA PLANNING FRAMEWORK

The proposals seek to deliver the overall objectives of the Croydon Local Plan and OAPF.

FINANCIAL IMPACT

The Council has received a £7m grant from Communities and Local Government (CLG). The proposals would ring-fence 50% of growth in business rates from April 2018 for 25 years in the designated area from the local government finance system. This income would be used to pay for the required infrastructure as set out in the report.

KEY DECISION REFERENCE NO.: 22/16/CAB This is a Key Decision as defined in the Council's Constitution. The decision may be implemented from 1300 hours on the expiry of 5 working days after it is made, unless the decision is referred to the Scrutiny & Overview Committee by the requisite number of Councillors

The Leader of the Council has delegated to the Cabinet the power to make the decisions set out in the recommendations below

1. RECOMMENDATIONS

- 1.1 The Cabinet is recommended to approve that the Council take forward the proposal for a Growth Zone for the designated area as set out in the report which will include:
- a) agreement with CLG and GLA that the designated area is excluded from the local government finance system and that all growth in business rates is ring-fenced to the Growth Zone scheme
 - b) that the Council provide debt finance, backed by business rate growth, to fund the infrastructure required.

2. EXECUTIVE SUMMARY

2.1 Croydon's potential for growth has long been recognised, however it is only in the past few years that this has started to be fully realised. A combination of a supportive policy environment, changes in the residential and commercial market and targeted inward investment work has secured a level of physical, economic and cultural investment never seen before in the borough. Croydon has become one of the prime areas of London where people choose to live, work, visit and invest. To ensure this change is sustainable, and that the benefit to Croydon residents is maximised, it is clear that major infrastructure investment will be required both as a catalyst to further growth and to accommodate the demands of a significantly increased population. An innovative, transformative solution was required and the council has worked closely with key stakeholders such as the GLA, TFL, Network Rail and Central Government to devise the 'Growth Zone' model.

2.2 The Croydon Growth Zone is a Tax Increment Financing (TIF) model which harnesses business rates growth to enable borrowing to fund infrastructure. Central government have also provided a £7m revenue grant to fund the early borrowing required, prior to significant business rate growth. In this way, around £310m of additional investment in infrastructure can be released.

- This investment will enable major regeneration benefits to both new and existing residents and businesses including: 23,594 new jobs with a further 5,097 jobs created during the construction phase
- at least 10,000 new homes of different tenures
- the wholesale renewal of the retail core

2.3 This report sets out the background, financial modelling and governance arrangements for the Growth Zone and seeks Cabinet approval to progress the approach.

3. DETAIL

3.1 Following adoption of the Croydon Opportunity Area Planning Framework (OAPF) by Croydon Council in April 2013 (and the Mayor in January 2013) it was clear a more detailed understanding of the infrastructure needs for growth was required. In early 2014 LBC, the Greater London Authority (GLA) and Transport for London (TfL) agreed to jointly commission a Development Infrastructure Funding (DIF) Study for the Croydon Opportunity Area (COA) to help facilitate more homes and jobs and understand infrastructure needs. This study identified a series of infrastructure projects in the COA and was estimated that the public sector support to drive this change amounted to around £1bn. This led to the development of the Growth Zone model as a means of meeting this funding challenge.

3.2 From inception, the Growth Zone was developed as a collaborative approach with GLA and TfL to secure Central Government investment in the form of fiscal devolution and/or grant funding in Croydon. It has developed into a business rate retention scheme in a Tax Increment Financing (TIF) model over a designated area in Central Croydon. The ongoing financial modelling will define the exact boundary of the Growth Zone (see Appendix 1 for a plan illustrating the indicative boundary of the area). In essence, it proposes to borrow to fund infrastructure projects which are essential to growth, with the costs of borrowing repaid by future uplift in the business rates base. The concept has emerged from a detailed analysis of the physical and financial constraints and opportunities arising from development growth in Croydon. The overarching principle is one of self-sufficiency – enabling existing growth to fund the requirements of future growth. A summary of how the concept developed is set out below.

- April 2013 - Adoption of the Croydon Local Plan: Strategic Policies and Croydon Opportunity Area Planning Framework.
- January 2014 - Commencement of the COA Development Infrastructure Funding Study (DIFS) to understand the infrastructure needs of the COA.
- September 2014 - The Croydon Promise published setting out the vision for the borough and COA .
- September 2014 - 'Croydon - Our Time is Now' published, setting out the benefits, need and justification for the Growth Zone. This was the core document for securing political, stakeholder, provider and developer support to the concept.

- December 2014 - The Coalition Government in the Autumn Statement of 2014 included reference to the Growth Zone for Croydon and gave force to the benefits, merits and basis of the Growth Zone.
- December 2014- Conclusion of the COA DIFS identifying and prioritising 92 infrastructure projects,.
- March 2015 - Following the general election, the Government in the 2015 budget included reference to the Growth Zone and a commitment by Treasury to a £7m revenue grant.
- June 2015 - During continued dialogue with Government further work was done to prioritise the infrastructure projects in the DIFS, leading to a consolidated list of 39 prioritised projects agreed by all partners.
- June 2015 - During this same period detailed analysis on the financial modelling behind debt financing and business rate uplift by the council's consultants.
- October 2015 – Full Growth Zone submission to the Government (business case, Croydon DIF Prioritisation and financial model).
- December 2015 - Government invites the Council to submit a CLG Investment Board application to CLG.
- Spring 2016 – Growth Zone agreed

3.3 The Growth Zone will run until approximately 2043 and is a necessary tool to enable the borough to manage risks and opportunities as circumstances change. It will fund a number of phases of infrastructure delivery, using the ongoing uplift in business rate income to help maximise the benefits of each phase. It will help to deliver upwards of 23,594 net new jobs to London with a further 5,097 jobs created during the works construction phase. The annual GVA equivalent of these jobs is estimated to be in order of £1.2 billion by 2031. In addition the Growth Zone will enable at least 10,000 mixed tenure new homes by 2036.

3.4 The Council's Growth Zone analysis is based on a base case financial model estimated over 20-25 years which is reliant on the retention of the LBC and GLA portion of business rate uplift in order to repay borrowing. A £7m revenue grant has been agreed by the Government to cover the interest costs associated with borrowing in the early years of the Growth Zone, prior to any significant business rate uplift. This £7m revenue grant contribution will enable circa £309m of infrastructure investment.

3.5 The jobs and housing outcomes are just one element of a wider development programme which aims to recreate Croydon as a truly modern, sustainable metropolitan town centre. The Growth Zone will also provide clear additionality in terms of the early and accelerated delivery of homes and jobs that would not occur without this initiative. It provides certainty to developers, investors and residents regarding the delivery of major infrastructure projects which is likely to accelerate discretionary development. This is especially important in terms of differentiating Croydon as a place to invest in London in a time of economic uncertainty post Brexit.

- 3.6 Stakeholders of the Growth Zone have together identified a list of 39 critical infrastructure projects that would enhance the Growth Zone and enable development to be brought forward in a timely manner. The total cost of these projects is close to £500m. Alongside this work financial modelling was undertaken to align the development trajectory, infrastructure delivery programme and proposed structure of the loan.
- 3.7 LBC, TFL and GLA have committed in principle to funding a proportion of these costs. In addition, the public sector partners have agreed to seek £122.5m of funding from future business planning processes and other sources, leaving the total amount of funding required to be funded through the Growth Zone as £309m (taking account of other funding sources too).
- 3.8 The current programme anticipates that all infrastructure will be delivered over a 12 year period, however the Council recognises that the phasing and delivery of infrastructure will be a key tool in managing financial risk. The active management of the delivery profile will allow the Council to align income and expenditure and help to mitigate the risk of significant costs falling on the Council that are not matched by related income. Figure 1 shows the predicted profile of infrastructure expenditure based on the £309 million requirement. Table 1 shows the Growth Zone project starts and completions over the same period.

Figure 1 – Profile of Infrastructure Expenditure

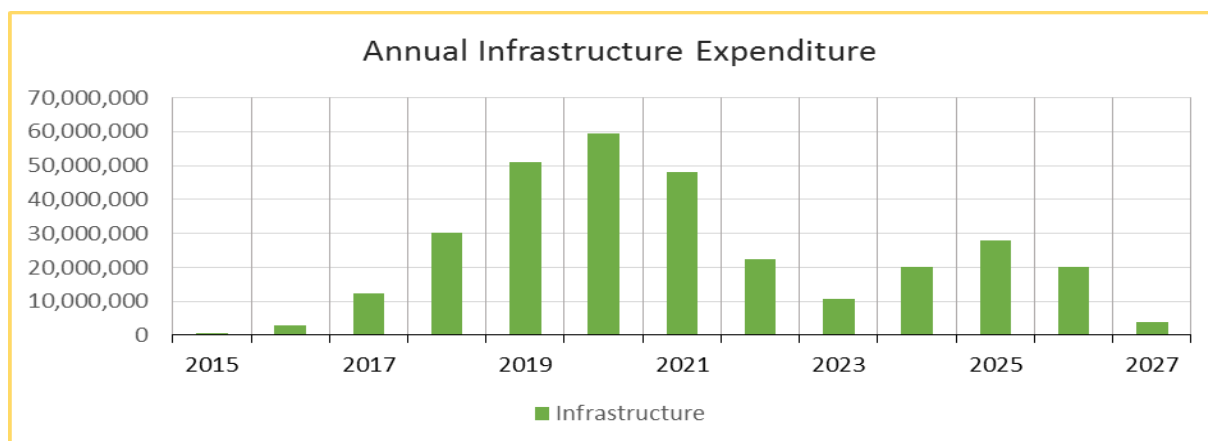


Table 1 – Start and completion of infrastructure projects within the Growth Zone

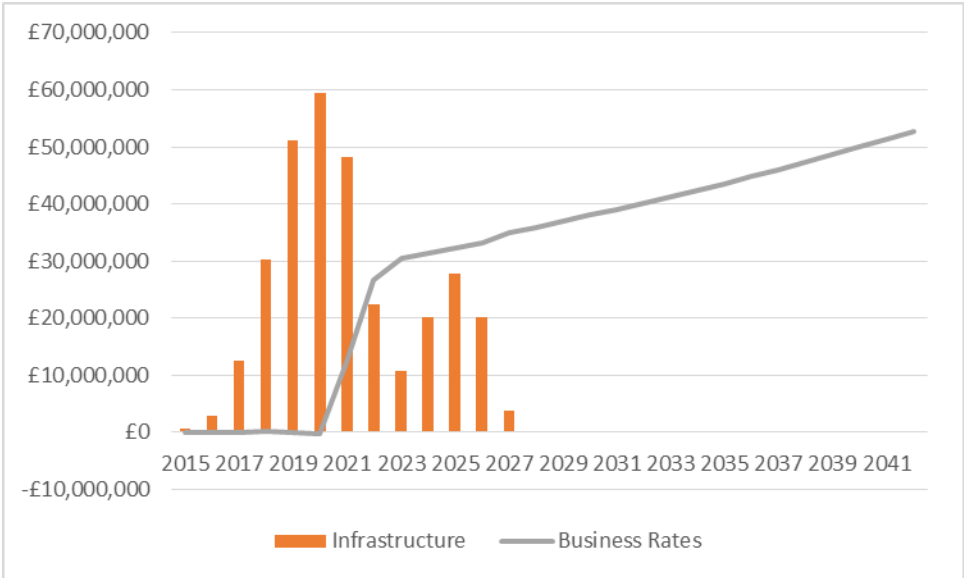
Year (20)	15	16	17	18	19	20	21	22	23	24	25	26	27	Total
Project Starts	7	6	11	5	4	0	1	1	4	0	0	0	0	39
Project Completions	0	1	0	2	6	6	6	8	2	0	1	3	4	39

Business rate uplift

- 3.9 The provision of the identified infrastructure will provide a catalyst for growth within the COA. It is the impact of this growth, more specifically the associated uplift in business rates income that will be used to fund the debt that will support the upfront investment.

- 3.10 The Council has undertaken financial analysis of the likely uplift in business rates income that could be generated by unlocking development activity within the Growth Zone. In undertaking this study the Council has identified a baseline business rates income for the Growth Zone and then undertaken an assessment of the likely increase in this income that could be generated through growth.
- 3.11 Using this expenditure and income information, the Council has produced a financial model that assesses how the uplift in business rates income could be used in a prudent manner to support the borrowing requirements associated with the infrastructure. In assessing the decision to borrow the Council has been mindful of the impact on its current revenue position and assessed the level of borrowing against its prudential indicators. Figure 2 demonstrates the rate of expenditure on infrastructure and how this impacts on the generation of additional business rates within the Growth Zone.

Figure 2: Rate of expenditure on Infrastructure and generation of additional business rates



- 3.12 The business rates income is a revenue income stream that is being used to pay off the debt costs associated with the provision of infrastructure. The infrastructure expenditure estimates the capital costs for the delivery programme. Based on the current assumptions, the Council anticipates that all debt associated with the provision of the £309 million of infrastructure will be fully repaid by 2038.
- 3.13 The Council would seek to ensure that all debt associated with the delivery of the Growth Zone is repaid within the life and flexibilities granted by the Growth Zone. As such, the Council will look to manage this risk through an upfront agreement for the potential to extend the Growth Zone to 25 years should it assess after 10 years there is a material difference in income. However, it is currently assumed that all debt will be extinguished by 2038.

Requirements of the loan draw down

- 3.14 It is proposed that the drawdown of the loan to fund the Growth Zone is triggered by the land draw down arrangements that are set out in the CPO Indemnity Land Transfer agreement (ILTA) between the Council and Croydon Limited Partnership. (CLP).
- 3.15 The development by CLP of the Whitgift Shopping Centre is a key development that would provide significant certainty to the Council in respect of the delivery of overall development in the COA that will be required in order that the loan can be repaid. The Whitgift development will provide a critical mass of new retail and commercial space that will in its self-generate significant uplift in business rates. It will also send a powerful message to the market and investors that Croydon is changing, regeneration is firmly underway and that it is a strong place to invest and develop.
- 3.16 For the ILTA draw down conditions to be met, specific and onerous conditions are required. The main requirements being:
- A satisfactory planning permission
 - A satisfactory CPO
 - Reasonable prospect of delivery of the development
 - Reasonable prospect of timescale
- 3.17 The Council is working in partnership with CLP to meet the ILTA requirements. In January 2015 planning consent was given for the redevelopment of the Whitgift Shopping Centre and in November 2015 the Compulsory Purchase Order of land necessary to enable the scheme was confirmed. Following further land acquisition by CLP and discussions with Marks and Spencer (who have requested the creation of a new store instead of a refurbishment) CLP have entered pre-application discussions with the Council to submit a revised application which would fall within the existing CPO. This application is on course for consideration by Planning Committee in October 2016.

Moving from a Bid to a Programme of Change

- 3.18 Confirmation by Central Government of the Growth Zone proposal has already provided a major catalyst for developers, with the number of planning applications within the borough increasing significantly over the last year. This year over 5000 applications are envisaged. This is an increase of over 400 on the previous year. Key major applications within the COA which are either under consideration or in pre- application include Mondial House, College Green, Queens Square and the Royal Mail site. Ruskin Square and Menta are already on site and under construction.
- 3.19 Further confirmation of Croydon's transformation is the advanced discussions between the Council and a development partner for Taberner House. This has the potential to deliver c500 new homes, many of them affordable, alongside new commercial space and improvements to Queens Gardens. Elsewhere in the borough, Brick by Brick, the private development company established by the council, is aiming to bringing forward over 1000 new homes by 2019.

Alongside these much needed new homes, new schools and community space will also be delivered.

- 3.20 The Growth Zone provides the confidence to developers and the investment community that Croydon takes regeneration seriously and that there is substance and depth behind its ambition. This message is further emphasised with the Council's work on a Cultural Programme and Strategy which provides evidence of a multi-faceted approach to regeneration and place making that places local residents at its heart.
- 3.21 This is perhaps best evidenced by the £30m refurbishment of Fairfield Halls and enabling redevelopment of College Green . This will signal a clear commitment of the importance of arts and culture in the renaissance of Croydon. The refurbishment will firmly establish Fairfield Halls as South London's premier performance venue. A wider cultural programme and strategy based upon Croydon's existing offer, including its considerable home grown talent, aims to demonstrate that a holistic approach to regeneration has the best potential to deliver a real step change in life chances for residents throughout the borough. Similarly, the recent opening of 'Tomorrow' at Davies House and upcoming opening of Box Park, with accompanying Ambition Festival and Fringe Festival, provides a massive injection into the cultural and creative sector and encourages local employment in the kind of jobs which are relevant to London's emerging economy.
- 3.22 To ensure all the envisaged development achieves the quality standard required to deliver long term sustainable regeneration and change in Croydon, a Place Review Panel will launch in September 2016. This Panel will consist of high calibre industry experts from a range of disciplines to provide design and place making advice to officers and the Planning Committee. Considerable interest has been shown from the procurement exercise with excellent coverage in the industry press.

Management of the Metropolitan Centre during the major construction phase

- 3.23 Considerable development activity is currently underway within the COA as private developers implement existing consents. The Council already monitors delivery activity within the COA through a Five Year Integrated Delivery Plan (FYIDP) to coordinate and manage the expected programme of development. The FYIDP provides a tool and a process to understand on a regular basis the programme wide implications of investment in the Metropolitan Centre and to critically evaluate the projected impacts presented by developers in support of applications for planning permission.
- 3.24 The FYIDP includes a Dashboard tool that categorises the projects into programmes, defines the likelihood of development occurring and analyses the impacts of phases over time. It enables effective communication about developments, informed assessment of road network management issues arising from development within a constrained town centre environment and provides confidence about the phasing of delivery.

- 3.25 To inform this work, technical consultants have been appointed by the Council with an ongoing role of creating an Opportunity Area Planning Framework Construction Logistics Plan (CLP) with the aim that all developers submit a good quality logistic plans which are contiguous with others. A series of quarterly seminars are being held with developers to update them on issues in the Metropolitan Centre. The seminars will assist with the updating of the Dashboard which is undertaken on a 6 weekly cycle. The consultants also have a role in considering the impact of development on air quality and the Dashboard's ability to predict construction traffic movements has been crucial in this work.
- 3.26 The implementation of the Growth Zone will significantly increase the scale of development activity over the next 5-10 years and it is critical that this activity is properly managed to ensure that the metropolitan centre remains accessible, safe and a good place to live work and invest. Therefore a key step in progressing the implementation of the Growth Zone is a review of existing network management and construction logistic planning arrangements to ensure a fit for purpose process and necessary resources within this scaled up development context.
- 3.27 The Council as a local traffic authority has a Statutory Duty under the Traffic Management Act 2004 Part 2 to manage their road network by facilitating and securing expeditious movement of traffic to avoid and or reduce congestion. The Network Management team within the Streets directorate currently discharge this function and coordinated all activities across the borough. This involves working across teams and with external stakeholders.
- 3.28 In order to manage the projected infrastructure development within the Growth Zone and keep Croydon moving, there will be a detailed review of the current traffic management arrangements to ensure the short, medium and long terms needs of the COA and borough as a whole are managed. A dedicated sub-group of the Growth Zone governance, chaired by the Director of Streets, will lead this. The group will be funded by the wider Growth Zone funding and will consist of both internal and external stakeholders and will review current practices and develop an integrated traffic management hub to manage vehicle and pedestrian movement in and around the COA. The findings of this review and recommendations will be brought before the Growth Zone Board for approval later in the year.

Next steps

- 3.29 Further work will be undertaken on reviewing the 39 critical infrastructure projects through the commissioning of a multi disciplinary consultancy early this Autumn. This will ensure the projects are necessary, fit for purpose and deliverable. This commission will also investigate governance, delivery models and programming. It is anticipated that this will be an 18 month commission, which will, through detailed studies and discussions with partners, greatly inform and shape the Growth Zone bid into a delivery phase of tangible projects. This next phase of work will also be informed by the work stream from the integrated traffic hub so that the Council will be able to have a comprehensive understanding of construction activity and its impacts within the COA .

3.30 Concurrently, officers will continue to work with CLP to meet the land draw down arrangements that are set out in the CPO Indemnity Land Transfer agreement (ILTA) between the Council and Croydon Limited Partnership. (CLP). It is anticipated that the first land draw down will be early in 2017.

4. CONSULTATION

4.1 In preparing the list of 39 projects for the Growth Zone, considerable consultation was undertaken with the GLA as our key partner as well as consultation with key stakeholders; TfL, CLP and Stanhope Schroder. Other bodies including the NHS and Croydon University Hospital have also been consulted with. This work builds upon the extensive consultation that was part of the OAPF preparation that set out the vision, policies and guidance for the COA. The Growth Zone has also been regularly reported to the Croydon Strategic Metropolitan Board.

4.2 As further feasibility and business case work is undertaken for each of the projects, specific project based consultation will be undertaken to ensure projects are prepared that are fit for purpose and integrate with partner's delivery plans and optimise funding arrangements. Finally, for each of the projects further statutory consultation will be undertaken through the planning and consent process.

5 FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

The effect of the decision

5.1 The need to have adequate and appropriate infrastructure will be fundamental to Croydon successfully regenerating and meeting its growth targets. Without this infrastructure, growth and regeneration will be greatly hampered and Croydon will not be able to meet its potential or ambitions. By agreeing to the creation of the Growth Zone through the taking on of the responsibility of the c. £309m loan the Council will be in the driving seat deciding the specifics of projects, delivery partners, timescales and management arrangements to ensure the most appropriate and timely delivery. Governance arrangements have been prepared (see Appendix 2) to ensure clear accountability and decision making and partners are keen to work with us to progress this programme.

Risks

5.2 A review of the Growth Zone has been undertaken and the following risks have been identified;

- The loan is not approved to enable the delivery of all the necessary infrastructure to address forecast growth. DCLG have provided their approval for the Council to take on this loan and approval of the mechanism to allow the repayment through business rate uplift.
- The business rate uplift forecast in the financial model is not forthcoming at the rate forecast throughout the life of the model, which would put financial

pressure on servicing the debt. Sensitivity analyses have been undertaken to provide confidence that the modelling can respond to unforeseen circumstances to include changes to interests rates, increases in costs and reduction in income from business rates uplift. Further work is ongoing in relation to the refinement of the financial modelling to ensure robustness.

- The stakeholders and partners fail to prioritise the 39 infrastructure projects within the delivery programme and infrastructure delivery is delayed and is not commensurate with development activity. Work has been undertaken to prepare appropriate governance arrangements with partners and stakeholders to ensure clear understanding of roles and responsibilities. Regular meetings of the Growth Zone Steering Group will be a practical method of monitoring project management and the early identification of any delivery issues.
- The delivery models for each of the 39 projects fail to deliver the project in accordance with the programme and delivery activity, as managed under above point on Growth Zone Steering Group.
- The projects delivered early in the programme are subject to overspend and this reduces the funding available to deliver projects within the later stages of the programme, as managed under above points on Growth Zone Steering Group.
- The scale of development activity within the COA will be such that it becomes difficult to access and is an unpleasant place to live work and invest. This is to be managed and through the review of network management and the creation of a network management hub.
- Brexit related risks, to the extent that they impact on those listed above.

5.3 To provide further risk management and mitigation, a new commission is currently under procurement for a multi-disciplinary consultancy to undertake more detailed feasibility, and the preparation of business cases for each project. This will allow a thorough examination of all delivery issues, including long-term revenue costs and whole life costing. Risk identification and mitigation measures will be an intrinsic element of this commission. This commission will regularly report to the Growth Zone Steering Group.

Future savings/efficiencies

5.4 As further work is undertaken in the Growth Zone, a specific aspect will be the consideration of procurement routes and the packaging up of individual projects to optimize cost efficiencies. The Growth Zone Steering Group brings all partners together to ensure the sharing of information and this will be the forum to facilitate much of these activities.

5.5 A further aspect of the current commission to appoint a multi-disciplinary consultant is to investigate the potential for Smart Cities and the integration of technology over the life time of the Growth Zone. It is likely that both within individual projects and the programme as a whole further savings and efficiencies will be identified through technological advancement.

(Approved by: Richard Simpson, Assistant Chief Executive (Corporate Resources and Section 151 officer))

6. COMMENTS OF THE COUNCIL SOLICITOR AND MONITORING OFFICER

- 6.1 On behalf of the Acting Council Solicitor it is commented that the power to retain business rates stems from the Local Government Finance Act 2012, and regulations that followed, under which the Government gave local authorities the power to keep up to half of business rate growth in their area by splitting business rate revenue into the 'local share' and the 'central share' where a local scheme is approved by Central Government. The recommendations set out in this report are therefore within the powers of the Council but rely on agreement from the GLA.

(Approved by: Sean Murphy, Principal Corporate Solicitor (Regeneration) on behalf of the Acting Council Solicitor and Acting Monitoring Officer.)

7. HUMAN RESOURCES IMPACT

- 7.1 The report mentions the creation of 23,594 new jobs with a further 5,097 jobs created during the construction phase. It is important to ensure that where possible, the majority of the created employment opportunities are targeted at local people through social value being maximised. This should be monitored and followed up where necessary to ensure these newly created opportunities are also targeted at the long term unemployed within the borough.

Approved by Adrian Prescod, HR Business Partner, for and on behalf of Director of Human Resources, Resources department.

8. EQUALITIES IMPACT

- 8.1 A key priority for the Council is to work with our partners to make Croydon a stronger fairer place for all our communities. Croydon's Opportunity and Fairness Plan 2016-20 outlines action to tackle inequalities such as educational attainment, health, homelessness, unemployment, crime and social isolation, particularly in the borough's six most deprived wards. Successful delivery of the Growth Zone proposals outlined in this report will create more opportunities for Croydon residents and contribute towards greater equality, fairness and better outcomes for all.
- 8.2 An Equalities Analysis has been initiated, and this will be developed as the Growth Zone programme evolves and in particular, as detailed feasibility and detailed business cases are prepared Equalities Impact will be an intrinsic part of this. Impacts will be kept under review and where necessary action will be taken to mitigate any negative impacts. There will be a strong focus on wards with high levels of deprivation and also people belonging to groups with protected characteristics.

9. ENVIRONMENTAL IMPACT

- 9.1 The proposed new projects would be built in line with current environmental requirements and new emerging Local Plan policy which promotes as part of sustainable development the consideration of environmental impacts. In addition Smart City thinking will be a key component of the Growth Zone which will seek to incorporate the newest thinking in respect of environmental protection and climate change.

10. CRIME AND DISORDER REDUCTION IMPACT

- 10.1 New infrastructure within the COA would be upgraded or increased and Designing out crime would be a key part of that process. The Borough Commander sits of the Growth Zone Steering Group and would facilitate the consideration of this issue within the detailed design and feasibility of each of the projects.

11. REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

- 11.1 The Growth Zone is in alignment with the Council's policy and ambitions as set out in key corporate documents. The £7m revenue grant from Government has been released to the Council and the funding model approved. Partners and stakeholders are keen to progress and delay at this point would be detrimental to proposed developments coming forward that have been encouraged on the basis of the Growth Zone.

12. OPTIONS CONSIDERED AND REJECTED

- 12.1 The option of not forward funding infrastructure and working with partners to deliver an orchestrated programme of infrastructure through a Growth Zone model, but to depend upon the market and the provision of infrastructure only through public sector capital funding, CIL and s106 has been considered. This would not deliver the necessary infrastructure and be detrimental to growth and regeneration. The total critical infrastructure cost is currently £600m, however only £333m has been identified from all current known sources this would not be sufficient to deliver the infrastructure necessary for the projected growth.

CONTACT OFFICER: Heather Cheesbrough Director of Planning and Strategic Transport 020 8760 5599

BACKGROUND PAPERS - LOCAL GOVERNMENT ACT 1972

Croydon Growth Zone DCLG Business Case –January 07012016

Croydon DIF Prioritisation September 2015 E C Harris

APPENDIX 1 Boundary of the Growth Zone

APPENDIX 2 Growth Zone Governance arrangements (added on 040716)

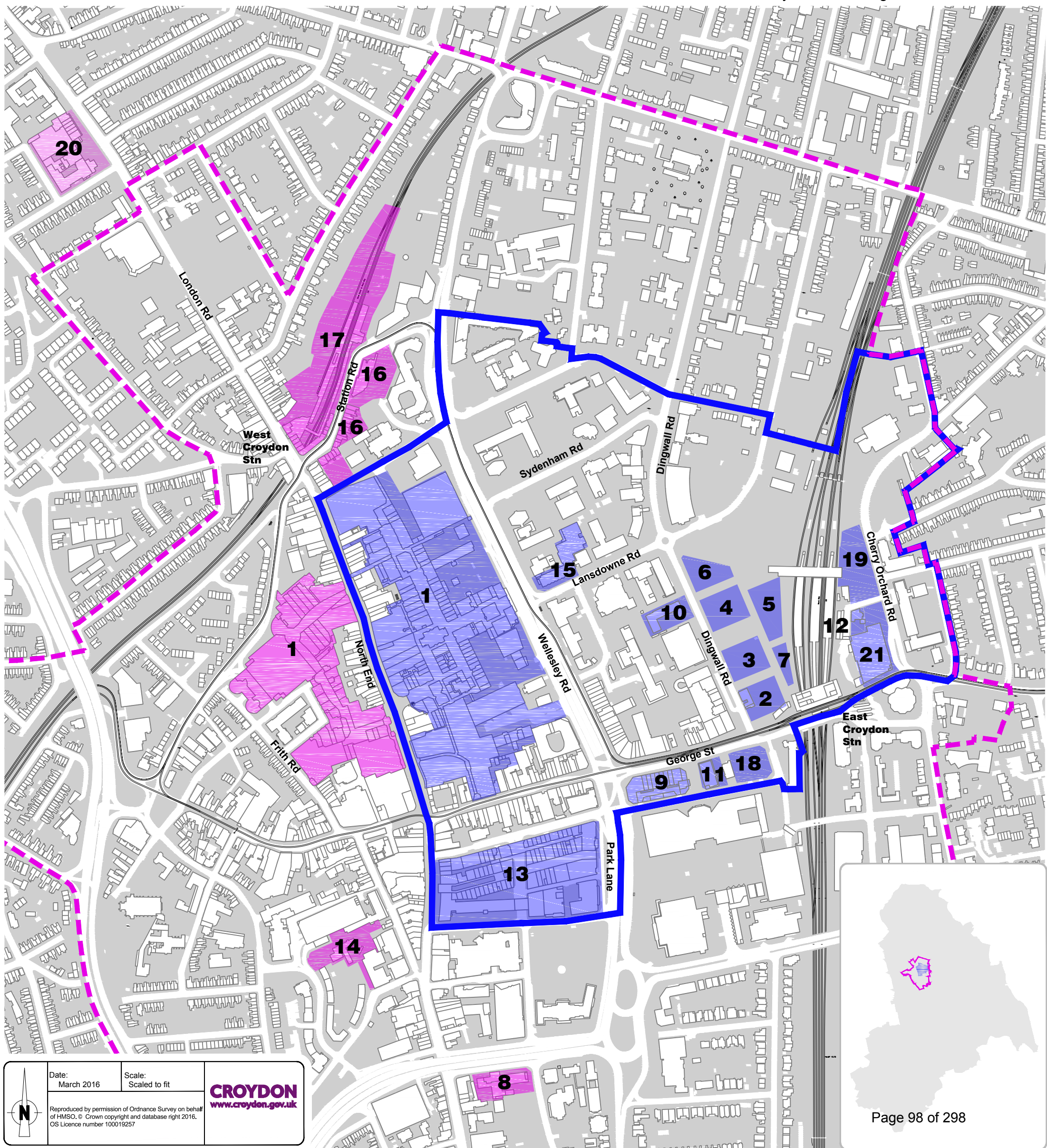
APPENDIX 3 Growth Zone Draft Projects (added on 040716)

Ranked Developments

- | | | | |
|----|-----------------------------------|----|---|
| 1 | Westfield/Hammerson Redevelopment | 12 | Morello Office |
| 2 | Ruskin Square (B5) (Office) | 13 | Mid Croydon Masterplan (part of Queen's Square) |
| 3 | Ruskin Square (B4) (Office) | 14 | Exchange Square and Pumping Station |
| 4 | Ruskin Square (B3) (Office) | 15 | 1 Lansdowne Road |
| 5 | Ruskin Square (B1) (Office) | 16 | West Croydon Bus Station and St. Michael's Square |
| 6 | Ruskin Square (B2) (Office) | 17 | West Croydon Rail Station and Shops |
| 7 | Ruskin Square Retail/Leisure | 18 | Chroma, 100 George Street |
| 8 | Impact House | 19 | Morello Tower |
| 9 | Suffolk House | 20 | Zodiac Court |
| 10 | Jobcentre Plus | 21 | Royal Mail Sorting Office |
| 11 | 96 George Street | | |

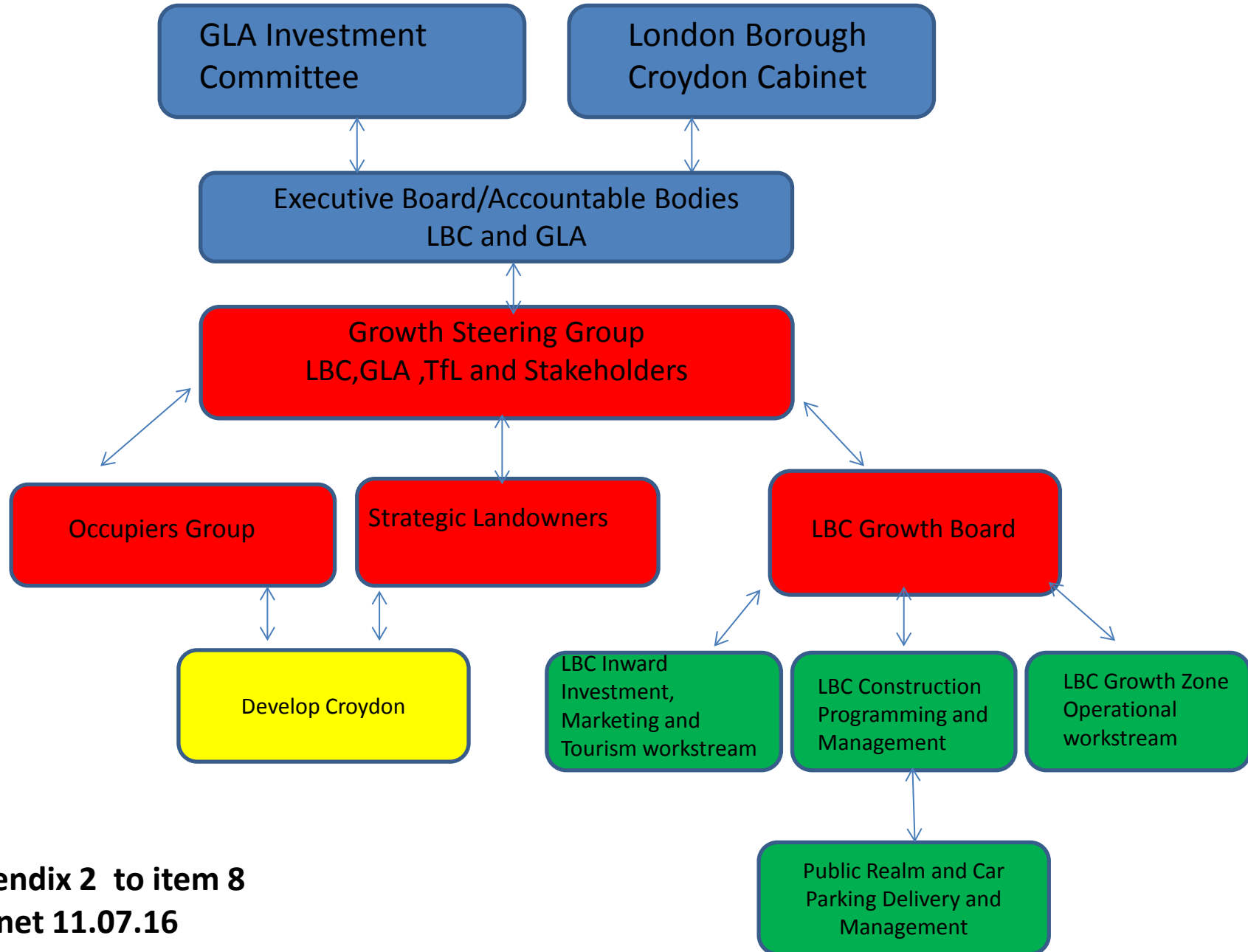
Key:

- Growth Zone
- Ranked developments within the Growth Zone
- Opportunity Area Planning Framework (OAPF)
- Ranked developments within The OAPF
- Ranked developments



	Date: March 2016	Scale: Scaled to fit	CROYDON www.croydon.gov.uk
Reproduced by permission of Ordnance Survey on behalf of HMSO. © Crown copyright and database right 2016. OS Licence number 100019257			

Growth Zone/Metropolitan Centre Governance



Appendix 2 to item 8
Cabinet 11.07.16

Appendix 3 to item 8 - Cabinet 11 July 2016

Growth Zone Draft Projects

Reference	Project
1.	Dingwall Road Loop (for key output service pattern)
2.	Wellesley Road Crossings
3.	East Croydon Phases 2/3
4.	Improvements to George Street Tram Stop
5.	Car Park improvements and rationalisation
6.	Electricity (delivery of an additional Substation)
7.	Other Energy (COA District Heating)
8.	West Croydon Interchange (underway)
9.	West Croydon Station (including Cycle Hub)
10.	COA Traffic Management
11.	Additional Buses to allow service upgrades
12.	Primary Health Care
13.	A232 Corridor Improvements - Chepstow Rd/Addiscombe Rd
14.	Reeves Corner Westbound Tram Stop
15.	Reeves Corner Turnback or Loop (for key Output 3 or earlier)
16.	New Addington 12tph (key output 2)
17.	Bus priority measures
18.	A232 corridor improvements – Purley Gyratory
19.	A232 corridor improvements – Mill Lane
20.	East Croydon Public Realm (phase 2/3)

21.	West Croydon public realm (phases 2/3)
22.	Tram Stabling Plan Phase 1: additional stabling for up to 12 trams (for key outputs for key output 1 service pattern)
23.	A23 Corridor Improvements – Thornton Heath Gyratory
24.	West Croydon public realm future phases
25.	Secondary Schools
26.	A23 Corridor Improvements – Lombard Roundabout
27.	Mid Croydon public realm phases 2/3
28.	Community Space
29.	Tram Stabling Plan Phase 2: Additional stabling for up to 27 Trams.
30.	Beckenham Branch Capacity (Key Output 4)
31.	18 TPH Croydon to Morden Road
32.	West Croydon - future phases
33.	Freight Consolidation Centre
34.	Old Town Masterplan
35.	Accident and Emergency Department
36.	Children’s Development Centre
37.	Play Space
38.	Urgent Care Strategy
39.	Job Brokerage Scheme

For general release

REPORT TO:	CABINET 11th JULY 2016
AGENDA ITEM:	9
SUBJECT:	JULY FINANCIAL REVIEW
LEAD OFFICER:	RICHARD SIMPSON ASSISTANT CHIEF EXECUTIVE CORPORATE RESOURCES AND S151 OFFICER
CABINET MEMBER:	COUNCILLOR TONY NEWMAN THE LEADER COUNCILLOR SIMON HALL CABINET MEMBER FOR FINANCE AND TREASURY COUNCILLOR ALISON BUTLER DEPUTY LEADER CABINET MEMBER FOR HOMES, REGENERATION AND PLANNING
WARDS:	ALL
CORPORATE PRIORITY/POLICY CONTEXT: The review of the Financial Strategy as part of the budget setting process enables a balanced budget target to be established with a focus on an affordable level of council tax, delivery of the corporate priorities and policies of the Council and the continued enhancement of value for money and satisfaction with services for the residents of our borough.	
FINANCIAL SUMMARY: This report sets out the Council's review of its Financial Strategy for the period 2016/20 to establish the context for the Council's budget and medium term financial planning scenarios and assumptions.	

FORWARD PLAN KEY DECISION REFERENCE NO. - This is not a key decision.

1. RECOMMENDATIONS

It is recommended that Cabinet approves:

- 1.1 The carry forward of £38.551m slippage to the 2016/17 General Fund Capital programme and £9.339m to the 2016/17 HRA Capital programme as set out in Appendix 2.
- 1.2 The approach to transformation (efficiency strategy) for the financial challenge during the period of 2017/20, as set out in section 8, including the flexibility to use capital receipts to support transformation where the Assistant Chief Executive Corporate Resources (S151 Officer) in consultation with the Cabinet Member for Finance and Treasury believes this to be appropriate.

2. EXECUTIVE SUMMARY

- 2.1 The Council's budget for 2016/17 was approved by Full Council on the 29th February 2016 (Minute A21/16), as part of the annual budget setting cycle of the Council. This report provides an update of progress towards ensuring the financial challenges for 2017/20 are managed in the most effective way possible and provides an update on the:
 - i. The Council's overall financial position including the 2015/16 outturn position;
 - ii. Key financial changes which impact on Croydon's local and wider financial 'environment'; and
 - iii. The Council's readiness in delivering the 2016/17 budget and any resultant impact of this on future years.
- 2.2 Throughout the year Cabinet have been kept updated on areas of the council's budget that have been impacted on heavily and have led to significant pressures during the year. These include Adult Social Care demands, Children In Need Service, and Temporary Accommodation including Bed & Breakfast.
- 2.3 Through strong financial management and the introduction of specific measures across the council the overspend from these services listed above has been managed and the outturn for 2015/16 is an underspend

of £1.161m and is detailed in para 6.4 of this report. The specific measures included:

- A review of all agency staff and only essential vacancies being filled.
- A freeze on all permanent staff recruitment for a period during the year.
- A Think Family programme – focusing initially on the top 50 most expensive families who use multiple council services to make efficiencies through a joined up approach.
- Gateway (looking to make more of the support at the front door to prevent service users coming in later with more expensive issues) and Community Resources projects (looking at how we can make better use of community resources and the voluntary sector).
- A review of fees and charges.
- Additional governance measures put in place for Social Care placements.

2.4 In setting the 2016/17 budget growth has been built in for areas where demand and cost have increased.

2.5 The council is in a strong position as regards the medium term, 2017/20. Savings have been identified for 2017/18 and 2018/19 and the expected budget gap for those two years at this relatively early stage is under £10m. The government has provided a degree of certainty on the reductions in funding until 2020, the end of the spending review period. However this is subject to future decisions of the government based on the economic position and we deal in section 10 with the risks, notably following the EU referendum result.

2.6 A major change to Business rates is being proposed by the government which will see 100% of business rates retained locally. In London this means a split between local authorities and the GLA. This is subject to further discussion and then consultation on the exact details of how the system will operate. A report will be brought back to Cabinet in the autumn when further details should be available on how this might impact on Croydon.

2.7 This review is part of the ongoing process of implementing the Financial Strategy that will inform the setting of a balanced budget for 2017/18, taking into account the latest information and knowledge available to the Council.

3. REVIEW OF FINANCIAL STRATEGY OBJECTIVES

3.1 The Council approved a new Financial Strategy 2015/19 (the Strategy) in February 2015 as part of the budget setting process. The Strategy was prepared in the context of the cuts made to local government funding since 2010, which based on the 2015 spending review are forecast to continue until 2020.

3.2 The Strategy focuses on three areas that are considered to be essential

if the Council is to deliver services to the residents of the borough, whilst ensuring solid financial management.

3.3 The three areas within the Strategy are :-

- To maximise economic growth locally,
- To realign resources to protect front line resources as much as possible,
- To ensure the Council retain a strong financial management framework and systems.

3.4 The Financial Strategy 2015/19 also contains 9 key principles that support the annual budget setting process. The key principles and any commentary are set out in table 1 below.

Table 1: Financial Strategy Principles

	Key Principles	Position Statement	Commentary
1	Government grant reductions between 2016 and 2019 in line with overall government spending projections for local government in line with 2010–14.	A more flexible assumption is now set out in the budget 2017/20 position.	The Council has already delivered over £100m, in efficiency savings. The current budget gap (i.e. after allowing for programmes already in place) for the period 2017-18 to 2019-20 is estimated at £21m. The Council has assumed that future funding reductions will be based on the 2016/17 settlement which also gave details of the provisional settlement allocations up to and including 2019/20 based on the Spending Review
2	Local taxation increases will be kept at or below inflation.	No increase in the local element of council tax assumed. There is an assumption of a 2% increase for the new Adult Social Care Precept.	The local government finance settlement allowed local authorities to charge a 2% Social Care Precept every year from 2016/17 for 4 years. This precept was agreed by Council for Croydon in 2016/17 and has been factored into future budget planning assumptions. No further Council tax increases are assumed at this stage.
3	General Fund balances will be targeted at 5% of our budget requirement	No change	The 31 st March 2016 General Fund balance stands at £10.7m, or some 4.2% which is well above the 3% minimum considered prudent. The Financial strategy made it clear that

	Key Principles	Position Statement	Commentary
			although 5% remains a target there are no plans to actively move towards the target in cash terms over the medium term as the council's budget is expected to reduce by in the region of £21m over this period. This would see the 5% target reduce by £0.5m, making it £11.6m by the end of 2020.
4	Earmarked reserves will be set up for specific purposes beyond the general fund balance which is there to mitigate against demand risk on service budgets.	No Change	The balance of general fund earmarked reserves (excluding schools) at 31/3/16 is £32.171m. Earmarked reserves and the effective use of them to support the financial strategy and corporate plan remains a key objective. HRA reserves are £13.602m and school reserves are £7.339m.
5	Inflation will be estimated in line with sector specific forecast increases	No Change	Negotiations with providers will continue with the aim of minimising inflation increases.
6	Investment in development delivered from the Revolving Investment Fund (RIF) will be ring fenced from the capital programme		The first investment from the RIF has been made and it will continue to be used to support the delivery of our Growth Plan based on business plans coming forward for individual sites.
7	The Housing Revenue Account does not cross subsidise or vice versa the General Fund Revenue account up to the point where the HRA continues to exist	No change.	The HRA reserves at 31/3/16 are £13.602m.
8	Rents were assumed to rise at CPI + 1% in line with social rent guidance. However, this has now changed in the Housing and	From 2016/17 there will be a 1% decrease for 4 years in social housing rents.	An annual 1% rent decrease from 2016/17 followed by an assumption that rents will return to the current rent formula from 2020. There is currently uncertainty about this assumption and the impact this will have on the 30 year HRA Business plan.

	Key Principles	Position Statement	Commentary
	Planning Act.		
9	Decent Homes standards will be maintained for HRA stock	No change.	The changes proposed in the Housing and Planning Act place huge uncertainty on the long term sustainability of the HRA. Work remains ongoing on areas where we can reduce costs within the HRA. The delivery of Decent Homes for tenants remains a key priority

3.5 The July Financial Review 2016 has concluded that although the Planning Assumptions of the Financial Strategy remain robust, the financial environment remains unstable, notably given the uncertainties around

- future years government funding
- impact of welfare changes
- direct and indirect impact of government policy (such as housing and education)
- the impact of the EU Referendum
- demographic pressures
- economic growth

4 MAJOR CHANGES IN FUNDING FOR LOCAL GOVERNMENT

Local Government Funding Announcements

4.1 On 17 December 2015, the provisional local government finance settlement 2016/17 was published. This four year settlement provided provisional figures for 2016/17 and indicative figures to 2019/20, with the final settlement announced on the 8 February 2016.

4.2 The settlement is the only time over the course of the current Parliament that a multi-year settlement will be offered, and the offer covers the figures provided in the final local government finance settlement published on 9 February for:

- Revenue Support Grant;
- Transitional Grant; and
- Rural Services Delivery Grant

4.3 In addition, protection will be provided that ensures tariffs and top ups for 2017/18 to 2019/20 will not be altered for reasons related to any changes in the relative needs of local authorities.

4.4 However, there will not be protection from extra responsibilities and functions that might need to be accepted by local government as part of

the move to 100% business rates retention, future transfer of functions to or between local authorities, or the impact of mergers; and any other unforeseen events.

- 4.5 The Secretary of State announced that he would give councils until Friday 14 October 2016 to respond to the offer of a four year settlement; but no other information on how the four year offer would work were provided within the details of the final settlement. The proposal is that we accept the four year settlement in order to avoid further uncertainty and risk of further reductions in funding.

Business Rates Changes

- 4.6 In October 2015 the Government announced that by the end of this Parliament local authorities will be able to keep 100% of the business rates they raise locally. Currently 50% is retained locally. There is also a system of top ups and tariffs which act as a way of equalising resources between authorities based on assessed need. It is also proposed that there is a full review of the needs formula and that this should be in place by 2020.

- 4.7 A technical steering group and a number of sub-groups have been established to provide information and expert advice to support the LGA and DCLG in advising Ministers on the setting up and implementation of this new system. Four technical groups have been established as follows :-

- Needs and distribution: looking at how the system will be implemented and work.
- New responsibilities: focusing on getting the principles/criteria right for 'testing' new responsibilities.
- Systems Design: reviewing the model.
- Accounting and Accountabilities – looking at the accounting treatment under the new system.

- 4.8 It is expected that there will be a first consultation on some of the principles of the new system later this year. London Councils are also actively looking at how a regional system in London might work. The government have suggested London may be able to pilot further business rates devolution within the next 12 months. Cabinet will be updated in the autumn as further information on these changes becomes available.

Council Tax

- 4.9 Council tax remains a key source of income for the authority. The Council Tax referendum limit remains at 2%. However, local authorities with

social care responsibilities are able to levy up to 2% per annum to 2019/20 in relation to the Social Care Precept. This is an acknowledgement by government that local authorities are seeing an increase in costs for adult social care and they need a way to fund these costs. All government forecasts for councils' spending power assume this is levied in full by councils with social care responsibilities. The assumption in our financial planning forecasts is that the council will agree to a 2% increase for social care for the period until 2020. This is therefore taking advantage of this new flexibility.

New Homes Bonus

4.10 New Homes Bonus remains a key source of funding. The table below shows the forecast level of resources received by Croydon from the scheme, if the scheme was to remain unaltered and Croydon's future allocations were consistent with previous years.

Table 2 Forecast New Homes Bonus Funding allocations

	2016/17	2017/18	2018/19
	£m	£m	£m
2011/12 actual allocation	2.202		
2012/13 actual allocation	2.023		
2013/14 actual allocation	1.215	1.215	
2014/15 actual allocation	2.872	2.872	
2015/16 actual allocation	1.338	1.338	1.338
2016/17 initial allocation	2.101	2.101	2.101
2017/18 forecast allocation		2.100	2.100
2018/19 forecast allocation			1.800
Gross Retained New Homes Bonus (£m)	11.751	9.626	7.339
Less Scaling		0.000	-0.900
Plus NHB returned funding		1.200	0.000
Equals Net Retained New Homes Bonus (£m)	11.751	10.826	6.439

Public Health Grant

4.11 There was a consultation during 2015 on a formula for how Public Health funds are allocated between authorities. This has not been adopted to determine grant allocations for 2016/17. There has been a flat rate

reduction of 2.2% in 2016/17 (against final adjusted baselines for 2015/16) with a further reduction of 2.5% in 2017/18. It has also been confirmed that there will be a cash reduction of 9.6% over the period to 2019/20; this would require that in 2018/19 and 2019/20 there would need to be further reductions at an average of approximately 2.65% per annum. The 2016/17 Public Health grant is £22.466m which is expected to reduce by a further £1.7m by 2019/20.

Dedicated School Grant

- 4.12 The Dedicated Schools Grant (DSG) is a grant that funds all aspects of education that relates directly to children. This is split into 3 blocks, a schools block, a High Needs block and an Early Years block.
- 4.13 The DSG allocation for Croydon for 2016/17 is £312.58m (£309.2m 2015/16). The DSG is reduced by recoupment for academy funding. This is currently estimated to be £126m but will be subject to change throughout the year as schools convert to academies. The increase in 2016/17 is mainly due to an increase in pupil numbers.
- 4.14 The Department for Education (DfE) are currently mid-way through consulting on the changes that they are proposing to make to the way education is funded through the implementation of the National Funding Formula.
- 4.15 The changes that they are proposing to come into force from 2017/18 can be summarised as follows:
- The proposal is to move from 3 blocks (Schools, High Needs and Early Years) to 4 blocks (schools, LA Central, High Needs and Early Years) and to combine the ESG funding that is currently part of Formula Grant into DSG as part of the Central block.
 - The schools block would be ring-fenced. Currently we are able to transfer between blocks; in the future we would only be able to transfer between LA controlled blocks (Central, High Needs and Early Years). The flexibility that currently exists has been used to enable funding of our high level of High Needs pupils.

Education Services Grant

- 4.16 From 2013/14 LACSEG (Local Authority Central Spend Equivalent Grant) was been replaced by the Education services grant (ESG), as by delegating the maximum amount of the schools block straight to maintained schools and academies there was no longer the need for LACSEG. The Education Services Grant is based on a national per pupil rate and is paid to Local Authorities to be used to fund its statutory duties over both schools and pupils. The 2016/17 national rates show a reduction of 14.6% over the 2015/16 rates, following an overall increase in national pupil numbers, as shown in table 3 below;-

Table 3: ESG national rates and Croydon's Grant

ESG Element per pupil	2016/17 per pupil Rate £	2016/17 Grant £'m
General Funding Rate for mainstream schools	77.00	1.939
General Funding Rate for special schools	327.25	0.263
General Funding Rate for PRUs	288.75	0.145
Retained Duties Funding Rate*	15.00	0.855
	Total	3.202

* This includes funding for the statutory duties that the local authority has retained for those pupils in academies

- 4.17 This grant has been established by transferring back to government money from the local government formula funding schools block who then reimburses local authorities and academies on a per pupil basis.
- 4.18 The ESG allocation into the Formula Grant will cease in 2017/18. As part of the implementation of the National Funding Formula it will instead form part of the Central Block of the DSG. It will also reduce to £15 per pupil.

UASC – UNACCOMPANIED ASYLUM SEEKING CHILDREN

- 4.19 Croydon for a number of years has faced local pressure as a result of an inadequate grant for UASC which has led to costs being picked up as a result of a location. We face pressures on a scale only Kent can match.
- 4.20 We currently receive a weekly rate of £137.50 for under 16 year old UASC's and £114 of over 16 year old UASC's from the Home Office. After prolonged negotiations and discussions during 2015/16 our rate has remained at this enhanced rate in 2016/17. It should be noted that, in the council's view, and as detailed previously, even this level of funding does not cover all the costs, direct and indirect, associated with UASC's.
- 4.21 There remains uncertainty over the long term funding in this area which creates a risk. The Home Office are working on a scheme of voluntary transfer with the intention of locating UASC over a wider area so there is not the concentration and resulting high costs in certain areas of the country. Croydon are supportive of this policy and work is being undertaken to aid ongoing discussions with the Home Office on the level of funding that Croydon should receive particularly in this period of transition. However, there remains a risk that this is not sufficient and will actually add to the burden already borne by the council in this regard.

5. PRESSURES IMPACTING THE 2017/20 BUDGET

- 5.1 £5m of growth per annum has been included in our financial strategy to reflect growth needed particularly in areas of the council's budget which is driven by demand for our services. This is also a reflection of some major changes some of which have been covered in the funding section which may have an impact of the budget for the council.

Welfare

5.2 Universal Credit (UC) - Emergency and Temporary Accommodation

Customers of the council's temporary accommodation have previously claimed housing benefit from the council for their housing costs and this has been paid direct to their housing rent account, 2 weeks in advance. With the introduction of UC, this ceases and housing costs are claimed from DWP with payment being made to the resident, 4 weeks in arrears. We have 207 customers now that have triggered for UC in TA with total arrears of £211,084

5.3 Universal Credit- Decrease in Work allowances

Working households claiming universal credit currently have a work allowance of £222 per month for a couple with children and £263 for a single parent. The allowances have fallen to £192 from April 2016, lowering the threshold at which the benefit is withdrawn.

5.4 Further Benefit Cap

The £26,000 cap on the amount of benefit that a household can receive has been reduced to £23,000 in London, though claimants in work will continue to be exempt from the cap. In Croydon 305 households are already capped, and face a further income reduction of £58.31 per week, with 215 facing a significant risk of eviction. 90 of these will require a move to homes outside London and the South East; the remainder will need other interventions to prevent homelessness. 653 households with over 1750 children in Croydon will be affected by the cap for the first time.

5.5 Freeze in Benefit rates and Local Housing Allowance rates

Working age benefits (including tax credits and local housing allowances) will be frozen for four years from 2016/17 to 2019/20-Support through Child Tax Credit will be limited to two children for children born from April 2017.

5.6 Housing Benefit overpayments

Any overpayment of HB the council can deduct from on-going entitlement. Once a resident claims UC, this deduction ceases and the council must collect the debt.

The current amount of HB overpayment outstanding to the council is £14m; £3m per year is currently recovered directly from on-going entitlement to HB. Based on the current cash collection rate for overpayment of housing benefit of 20%, the council would lose £2.4m per year.

Backdating of housing benefit - Reduced from 6 months to 1 month. From the 1 April 2016 this will be limited to a single month. Last year over 10,000 customers were supported in this way.

Planned changes for 2017 and beyond

5.7 Employment and Support Allowance

From April 2017, new claimants of Employment and Support Allowance (ESA) who are placed in the Work-Related Activity Group will receive the same rate as those claiming Jobseeker's Allowance, alongside additional support to help them take steps back to work.

5.8 Youth obligation for 18 to 21's

From April 2017, jobless 18 to 21's will have to participate in intensive support and after 6 months apply for an apprenticeship or traineeship, gain work-based skills, or go on a work placement. Automatic entitlement to housing benefit for that age group will be abolished. In Croydon 650 single claimants of housing benefit are age 18-21, of which 147 are care leavers and may be exempt from this measure.

Reduced housing costs for single customers – under current housing benefit regulations, single people over 25 receive a maximum of £152 per week. From April 2017 under universal credit their maximum housing support is limited at £82 per week.

5.9 Capped child premium

Under means assessed benefits a premium is awarded for every child within a household/household. From April 2017 all new applicants under universal credit will have their assessments limited to 2 children.

Demand/Population/Demographics

5.10 The Office for National Statistics (ONS) projected a 2011 population for Croydon of 350,100 people, compared to a 2011 Census population of 363,400. This equates to a total under-estimation of 13,300 people (3.8%). This compares to an underestimate across London of 1.3% and nationally of 0.7%, with Croydon therefore being disadvantaged by a factor of over 5 times, compared to the average national position.

5.11 Based on an estimate that each person is 'worth' approximately £1,025 in local government funding terms, prior to 2013/14 (when the 2011 Census figures were introduced), an under-enumerated population of 13,300 people would be equivalent to £13.6m in lost funding per annum

for the Council alone.

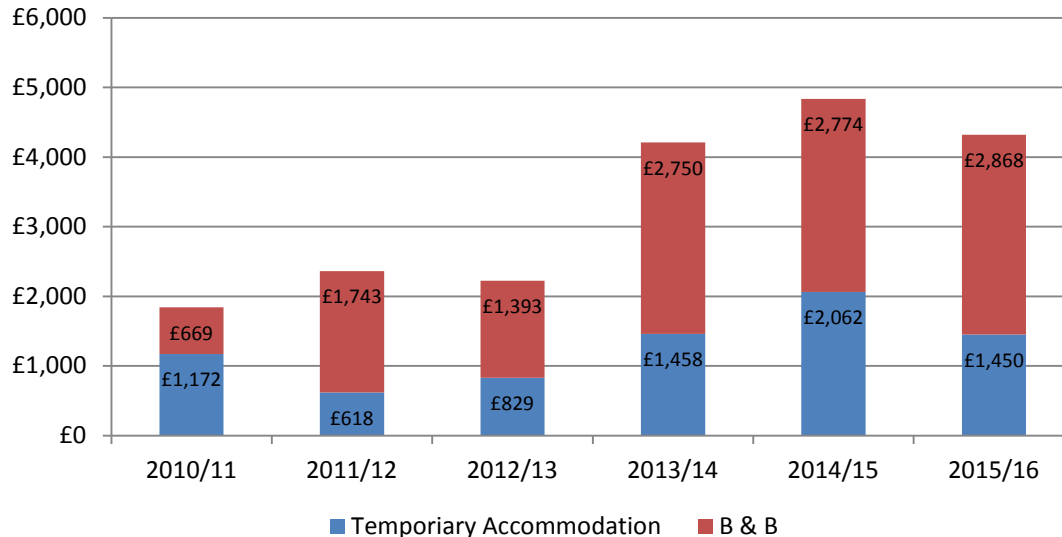
- 5.12 If the distribution of funding was 'rebalanced' to account for different rates of population growth, it is estimated that Croydon Council's funding levels would increase by a total of £2.2m between 2014/15 and 2020/21 (and would rise by a further £0.8m per year by 2020/21). The decision to freeze the funding distribution from 2014/15 has therefore penalised Croydon, relative to authorities other parts of England, by some £17m per annum by 2020/21.
- 5.13 Croydon has the largest population of 0-16 year olds in London (at 84,027 residents) which makes up 23.1% of the population. Life expectancy is increasing with expectancy for men and women now at 79.6 and 83.3 years with consequences for social care.
- 5.14 The most recent estimates for the resident population in Croydon (all ages) is the ONS mid-2014 estimate. This put the population at 376,040. The same ONS estimates suggest the 0-16 population was 87,339 (23.2% of the total population).
- 5.15 If there is a demographic shift as part of the population growth this could also put an additional strain on a number of service budgets.

Homelessness

- 5.16 In Croydon, the number of households approaching the Council for assistance with homelessness increased from 1680 in 2009/10 to 2520 in 2015/16. The number of households accepted as homeless increased over the same period from 425 households to 637, and the number living in temporary accommodation increased from 1267 to 3137. The spend relating to this is shown in graph 1 below.
- 5.17 It is likely that (in the immediate short term at least) that the number of households presenting as homeless, the number of households accepted as homeless and the Council's use of temporary accommodation will continue to increase. Structural economic and housing market factors support this conclusion. While the economy is expected to continue to grow, which is positive for employment and homelessness; there are concerns that access to market housing will be affected by the rate at which household incomes are likely to rise in comparison to house prices and private rents. Affordability is an increasingly significant issue for households in Croydon, despite the fact that house prices and private sector rents are lower than London overall. Competition for market rented housing is pushing up rents, and local landlords are reluctant to let their homes to people on benefits - the most common reason for homelessness is now the loss of a private rented tenancy. This is exacerbated by the Government's decision to freeze the Local Housing Allowance (LHA), even though the council had previously demonstrated to Government that Croydon had the biggest

mismatch between LHA and actual rent levels of any English local authority.

Graph 1:- Net expenditure on temporary accommodation 2010/11 to 2015/16



Apprentice Levy

- 5.18 In April 2017 the way the government funds apprenticeships in England is changing. Some employers will be required to contribute to a new apprenticeship levy, and there will be changes to the funding for apprenticeship training for all employers.
- 5.19 You will need to pay the apprenticeship levy if you are an employer, in any sector, with a pay bill of more than £3 million each year. For the purposes of the levy, an 'employer' is someone who is a secondary contributor, with liability to pay Class 1 secondary National Insurance Contributions (NICs) for their employees.
- 5.20 The levy will be charged at a rate of 0.5% of your annual pay bill. You will have a levy allowance of £15,000 per year to offset against the levy you must pay and this will need to be paid to HM Revenue and Customs (HMRC) through the Pay as You Earn (PAYE) process.
- 5.21 The cost of this for the Council based on our current pay bill would equate to £0.640m.

Business Rates

- 5.22 The Council currently receives a 30% share of Business Rates income collected within Croydon. At the end of 2015/16, there was an overall deficit in the collection fund in relation to Business Rates, as the borough experienced a high volume of appeals to the VOA by

businesses seeking to reduce their business rates charges. An early review of 2016/17 indicates that appeals will continue to be submitted by businesses, but will not have the impact that they had in 2015/16, as all appeals underway have now been provided for.

- 5.23 Also important to factor in is the proposed redevelopment of the Whitgift Centre, due to commence in January 2017. During the period of redevelopment, the centre will not be liable for Business Rates, which will result in a temporary reduction in available business rate receipts within the Borough for the duration of the re-development. Croydon Council will experience a 30% share of this reduction, but will receive the subsequent gains in rateable value once the development is complete.

6. The Outturn for 2015/16

- 6.1 In summary 2015/16 was the fifth successive challenging financial year in the Government's Deficit Reduction Programme and the prevailing economic climate of low growth. The magnitude of government grant cuts resulting again in a high level of savings needing to be achieved to balance the budget. This was exacerbated by in-year cuts to various funding streams, as well as other government decisions (eg. welfare benefits and housing) which increased demand. The Council's financial management and controls had identified potential pressures totalling £3.163m early in the year, and a series of actions were identified and agreed in the Autumn Financial Statement to manage this challenge.
- 6.2 The measures detailed in the executive summary para 2.3 have played an important part in controlling the Council's expenditure during 2015/16, resulting in a final outturn position of £1.161m underspent, some £4.3m lower than the initial Quarter 1 projected over-spend. General Fund balances remain at £10.677m and have not changed during 2015/16.
- 6.3 The target set out in the Financial Strategy is to hold General Fund balances of 5% of the council's net budget requirement. For 2016/17 this equals £13m. The Financial strategy made clear that although 5% remains a target there are no plans to actively move towards the target in cash terms over the medium term as the council's budget is expected to reduce by in the region of £26m over this period. This would see the 5% target reduce by £0.5m, making it £11.6 m by the end of 2020.
- 6.4 The Council's under spend in 2015/16 of £1.161m was made up of Departmental over spends of £8.527m offset by non-departmental underspends of £9.688m. Details are provided in Table 4 below.
- 6.5 The Council's earmarked reserves have increased by £2.587m to £32.171m. Whilst a number of targeted funding streams have continued to be drawn out of reserves in 2015/16 to support delivery, £7m of

funding for Croydon's proposed Growth Zone has been added, and will be used to fund early life costs of this project.

- 6.6 Locally Managed Schools' revenue reserves have decreased by £2.361m to £7.339m, which continues to reflect the conversion of maintained schools to academy status.
- 6.7 The Council's General Fund Provisions have increased slightly from £33.513m to £36.365m as at 31st March 2016.
- 6.8 The Collection Fund has carried forward a £13.141m surplus in relation to Council Tax and a deficit of £26.884m in relation to NNDR, making a total deficit in the collection fund of £13.743m as at 31st March 2016. This will be chargeable to all precepting organisations, and Croydon's share of this deficit is a credit of £2.407m.
- 6.9 The Council's Pension Fund increased in value in 2015/16 by £16.6m (1.9%) to a value of £875m.

Table 4 Revenue Outturn Summary for 2015/16

Quarter 3 forecast outturn variance £'000	Department	Revised Budget £'000	Outturn 2015/16 £'000	Variation from Revised Budget	
				£'000	%
11,881	People	227,560	237,265	9,705	4.3%
(261)	Place	74,609	74,394	(215)	(0.3%)
(1,230)	Resources	36,281	35,318	(963)	(2.7%)
10,390	Departmental total	338,450	346,977	8,527	2.5%
(9,788)	Non- Departmental Items	(338,450)	(348,138)	(9,688)	(2.9%)
0	Net Expenditure	0	(1,161)	(1,161)	
602	Total transfer to / (from) balances	0	0	1,161	

7 THE BUDGET FOR 2016/17

7.1 The 2016/17 budget was approved by Council on the 29th February 2016. This budget contained a number of growth and savings items.

7.2 Table 5 below gives a summary of the savings required for 2016/17 and a large element of these continue to be underpinned by the transformational programme Croydon Challenge, the new managing demand programme and other ongoing departmental efficiency programmes.

Table 5 – Summary of Savings Options by Department

Department	2016/17 £m	2017/18 £m	2018/19 £m	2016/19 Total £m
People	(5.191)	(8.269)	(0.906)	(14.366)
Place	(4.657)	(0.149)	(4.500)	(9.306)
Resources	(6.428)	(4.034)	(0.250)	(10.712)
TOTAL	(16.276)	(12.452)	(5.656)	(34.384)

7.3 During 2015/16 it was recognised that we needed to do more to reduce costs and balance future works and so began an ambitious programme to review and manage demand across a wide range of services including adult social care, children's social care, waste management and other environmental services.

2016/17 Further Pressures identified

7.4 Pressures have been identified from an early review of key demand areas in 2016/17 and these are being carefully monitored and work streams and further initiatives are underway to review these pressures and work to improve them. The main elements are :

- Adult social care – increased costs due to population increase in the borough, alongside an increase in the number of complex cases. A review is underway as part of the Transformation of Adult Social Care Programme (TRASC).
- Children's Social care - Additional demand pressure caused by new high cost placements during the year. Actions in place at the moment are the use of foster care placements, early intervention/prevention and the troubled families programme.
- Temporary Accommodation – Increasing demand notably as a result of changes to the welfare system, though it is anticipated that

savings from the new Gateway programmes will help to alleviate this.

- 7.5 Early indications are that these cost pressures could be in the region of £5m in 2016/17. These pressures will be offset by non departmental items including S31 business rates reliefs, unbudgeted core grants and contingency. More details will be provided as part of the report to Cabinet in September 2016 for the Quarter 1 financial monitoring.

8 BUDGET 2017/20

- 8.1 Table 6 below sets out the current forecasts in relation to the budget gap for 2017/20. The budget gap for 2017/18 is £4.4m. This is the gap including the identification of efficiencies and includes ongoing investment commitments that had been identified by departments during the previous budget setting process. Appendix 1 gives details of the savings identified to date as presented at the time of the 2016/17 budget and approved by Council.

- 8.2 The assumptions that are built into this gap include the following:

- 8.3 £2.6m has been built in as a requirement for future years inflation. This is based on the following assumptions:

- **Pay** - Future years pay awards have been assumed to be 1% in line with the estimates for 2016/17.
- **Contracts** - Estimates for future years have been based on a 2% increase. A large element of the council spend is through third party providers. Longer term contracts have in-built indices to calculate annual changes whilst other contracts can be negotiated on an annual basis.
- **Income** – It has been assumed that where the council has discretion over the level of fees and charges these will increase by RPI. During 2016/17 and in line with the budget setting deadlines a detailed review of fees and charges is going to be undertaken to identify further potential income sources.

- 8.4 Budgetary pressures are continuing to be faced from demand led areas in the main. £5m of growth has been built into the assumptions to be required over the next few years per annum. The main areas where pressures are arising are within the people department, notably in relation to vulnerable adults and an increased number of children with disabilities.

- 8.5 A reduction in grant funding of £30.2m based on the four year settlement announced earlier this year

8.6 The gap of £20.9m over the period 2017/20 is challenging. Section 5 of this report set out some of the significant challenges faced by the council over this period. The increasing reduction of grant income alongside increasing demands on expenditure means significant cost reductions will continue to have to be made. The shift in focus on local government funding means there is much greater direct benefit to the councils funding from economic growth through New Homes Bonus, Business rates. The council's regeneration plans over the medium term will provide huge opportunity for this to have a significant impact in this regard although possible not until after 2018.

Table 6 Budget Gap 2017/20

	2017/18 £m	2018/19 £m	2019/20 £m	2017/20 £m
Cut in Grant	14.40	8.70	7.10	30.20
Inflation	2.60	2.60	2.60	7.80
Debt Charges	-	-	1.50	1.50
Demand/Demographic Pressure	5.00	5.00	5.00	15.00
Gross Budget Gap	22.00	16.30	16.20	54.50
Council tax (assumed 2% social precept in 2017-20)	-2.70	-2.70	-2.70	-8.10
Council Tax Base - expected increases	-2.50	-2.50	-2.50	-7.50
Savings Options proposed	-12.40	-5.60	-	-17.70
Net Budget Gap	4.40	5.50	11.00	20.90

8.7 It is clear from the remaining gaps over this period that Croydon will need to continue to drive out efficiencies and will need to continue to deliver savings over this period. This will include real innovative and joined up working in the People Department, with a focus on prevention and working with families. It is also clear that there may well need to be some tough choices made on services we can no longer afford. The principle will be one of fairness and the outcomes from the fairness and opportunity commission will also be key in determining how we allocate our reducing resources.

Key Projects to Close the Gap

8.8 To date significant progress has been made on the Croydon Challenge, and examples of these projects are;-

- **Digital by Design and Enabling Core** – This project is continuing to develop and apply digital solutions that help reduce the cost and streamline processes. The council will further simplify, standardise and share in order to provide a more agile and effective support function. The programme has already

delivered over £2m in savings and is expected to deliver over £5m by 2018.

- **Asset Management/Rationalisation** - The Cabinet on 17 November 2014 agreed the Asset Strategy to support the delivery of the Growth Promise and to support the delivery of the Financial Strategy (Min.A104/14). As part of this strategy the Council has recently leased office space in Bernard Weatherill House. The lease has been signed with leading design and consultancy firm Arcadis who will be renting the top two floors bringing 250 staff to the borough. The Arcadis Croydon office is due to be open and fully operational in the summer.

This lease will potentially save up to £7.5m over the next 10 years.

A one year lease has been concluded for the 9th and 10th floors of Bernard Weatherill House and there are many other property transactions being pursued.

- **Managing Demand** - Over the last two years we have been improving the services we provide for our customers in Croydon whilst delivering substantial savings through the Croydon Challenge, for example, bringing together our on-street enforcement functions, making better use of new technology, creating the People department and developing our Gateway service. Demand for our services still outweighs the reduced available resources though. A growing borough population, demographic changes in that population, local government spending cuts and changes to welfare reform are just a few of the factors that are contributing to this. The Managing Demand programme through 2016/17 will implement behavioural change approaches across our residents, staff and partners to improve outcomes whilst reducing the financial cost of such services.

Initially we have delivered a number of “pioneer” projects to test, deliver and prove the value of the techniques which can then be embedded into the culture of the organisation and our community. These have been in areas such as council tax, fly tipping, public health and adult social care referrals, with positive results.

Currently our focus is on addressing the key pressures facing the Council to identify opportunity areas which face the biggest challenge and have the greatest impact. In each of these Strategic Opportunity areas we are starting to identify innovative ideas to change the way we deliver services.

Over the summer we will be developing business cases for these

for inclusion in the council's next budget.

- **Outcomes Based Commissioning** - is a joint project with Croydon CCG to commission the provision of both health and social services for over 65s in Croydon. The contract be delivered through an Accountable Provider Alliance (APA) and is envisaged to take effect from October 2016, it has a capitated payment mechanism which is incentivised on the delivery of outcomes for the population. The APA will be expected to work with a wide network of other organisations to develop and deliver innovative health and social care for local people. The new models of care will be designed around the needs of the service user to deliver the agreed outcomes. This will required greater co-operation and integration between, and within, health and social care.

A 10 year financial model has been devised with input from Croydon CCG and Croydon Council. This reflects, on the council's side, expected savings of £454k in 16/17, £819k in 17/18 and 5% per annum thereafter. In addition to the growth allocated for 16/17 both demographic and non-demographic growth has been included from 17/18 onwards.

Capital Receipts Flexibility

- 8.9 The spending review 2015 allows flexibility for local authorities to use capital receipts from the sale of non-housing assets to fund revenue costs of service for reform and transformation type projects. The government issued final guidance on the 11 March 2016 stating that Individual authorities are best placed to make decisions on using this flexibility.
- 8.10 This new flexibility is being reviewed and the Council will be taking advantage of this. This flexibility offered will form part of future revenue and capital budget decisions.

9 CAPITAL PROGRAMME INVESTMENTS AND SLIPPAGE

- 9.1 Slippage on capital spending from the 2015/16 financial outturn has been reviewed and it is recommended that the slippage on the General fund schemes set out in Appendix 2, totalling **£38.551m**, is approved to be carried forward to 2016/17.

Some of the larger schemes that have slipped into 2016/17 from 2015/16 are detailed below:

- Educations Estates Programme - due to programming delays, technical delays, planning issues and dispute with a main contractor responsible for a few major scheme schools.

Appointment of new contract partners under way to ensure school programme is delivered on time.

- Public Realm – Delays with contractors and timing of projects has led to in year underspends.
- ICT – delays in the overall programme as projects are very much linked in to the ICT transformation agenda.

9.2 The HRA is also requesting approval for slippage from 2015/16 of **£9.339m**.

9.3 The details of the slippage are detailed in appendix 2.

9.4 The Capital Programme will be reviewed and reprofiled where appropriate and brought back to cabinet as part of the quarter 1 monitoring report in September.

10. BREXIT IMPACT AND RISKS

10.1 The outcome of the EU referendum vote has created a significant amount of uncertainty and risk for all organisations. There is a report elsewhere on the agenda that sets out the key issues for the Council. In terms of our financial planning the following issues are key:

- It is clear that the funding for local government is inexorably linked to the strength of the British economy and therefore any relatively small adjustments in future growth forecasts could mean further cuts to local government funding. Other government decisions, e.g. on welfare benefits, could also place greater pressure on services.
- There may be some specific challenges linked to business rates which as the new model of funding for local government will be very sensitive to any economic downturn.
- The strategy for local growth is linked clearly to housing and development and the benefits in terms of homes and jobs that can bring to residents and the council. Early signs are that the key developments in Croydon are progressing and this is set out in more detail in the separate report.
- There will need to be a major exercise in considering the implications of EU directives that currently apply in the UK public sector on issues as diverse as external audit and energy efficiency targets.

11. SUMMARY AND CONCLUSIONS

- 11.1 As all Members are aware, setting a budget for 2017/20 that is robust, balanced and deliverable is challenging, and will involve a number of difficult decisions in these challenging times.

12. FINANCIAL CONSIDERATIONS

- 12.1 This report deals with the Financial Strategy assumptions in planning a balanced budget over the medium term.

(Approved by Richard Simpson, Assistant Chief Executive Corporate Resources and S151 Officer)

13. COMMENTS OF THE SOLICITOR TO THE COUNCIL

- 13.1 The Solicitor to the Council comments that the information in this report supports the Council's statutory duty to set a balanced budget.

(Approved by Jacqueline Harris-Baker on behalf of on behalf of the Council Solicitor and Monitoring Officer.)

14. HUMAN RESOURCES IMPACT

- 14.1 There are no direct Human Resources implications arising from this report. However, the action plans and transformation programmes included in this report, or those that need to be developed in response to the financial challenges faced by the Council, are likely to have HR implications. Where that is the case, the Council's existing policies and procedures must be observed and HR advice must be sought.

(Approved by: Debbie Calliste on behalf of Approved by: Heather Daley, Director of Human Resources)

15. EQUALITIES IMPACT

- 15.1 There are no specific issues arising from this report.

16. ENVIRONMENTAL IMPACT

- 16.1 There are no specific issues arising from this report.

17. CRIME AND DISORDER REDUCTION IMPACT

- 17.1 There are no specific issues arising from this report.

18. REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

- 18.1 These are detailed within the report.

19. OPTIONS CONSIDERED AND REJECTED

19.1 The options considered are detailed in the report. The only option rejected was the one of do nothing as this is not viable.

Report Author: Richard Simpson, Assistant Chief Executive Corporate Resources and S151 Officer

Contact Person: Richard Simpson, Assistant Chief Executive Corporate Resources and S151 Officer

Background docs: Financial Strategy 2015/19

appendix K of appendix 2 to item 7 Council meeting 23/02/15

<https://secure.croydon.gov.uk/akscroydon/users/public/admin/kabatt.pl?cmte=COU&meet=27&href=/akscroydon/images/att5016.pdf>

APPENDIX 1 TOTAL SAVINGS OPTIONS

Department	Division	Service	Options	RAG Status	FTE	17/18 £m	18/19 £m	2019/20 £m
PEOPLE	Children & Family Early intervention and Children's Social Care	Inclusion Learning Access & SEN	SEN Transport - Contract Renegotiations	G	0.0	(1.583)	(0.256)	0.000
PEOPLE	Adult Care	Assessment & Case Management	Recovery of monies from NHS. This includes, but is not limited to , intensive domiciliary care packages that may be deemed health rather than social care, robust application of NHS continuing healthcare and jointly funded cases, and access to winter resilience funding.	A	0.0	(0.750)	(0.500)	0.000
PEOPLE	Universal People Services	Libraries, Culture and Adult Learning	Improve Library services through partnership development/community management	A	0.0	(0.500)	0.000	0.000
PEOPLE	Integrated Commissioning / Adult Care Services	Commissioning Older People & Long Term Conditions	Community Resources	A	0.0	(0.475)	0.000	0.000
PEOPLE	Children & Family Early intervention and Children's Social Care	EISS	Youth Service and Early Help Service restructure	A	TBC	(0.450)	0.000	0.000
PEOPLE	Children & Family Early intervention and Children's Social Care	Looked After Children	Looked After Children - LAC - Implement a review of whether we are looking after the right children and reduce the number of LAC. - Further increase the number of in house foster carers for example by strengthening the model of recruitment and assessment of foster carers. - Continue to drive down costs and rates of placements with Independent Fostering Agencies. - Legal Costs associated with LAC - generate savings through efficiencies	A	0.0	(0.382)	0.000	0.000
PEOPLE	Adult Care	Assessment & Case Management	Needs and Asset Assessment redesign to meet Care Act requirements - This is a project to manage demand through a restructure of ASC operations plus to change the culture of our practice so we offer more choice and control through personal budgets	A	0.0	(0.380)	0.000	0.000
PEOPLE	Integrated Commissioning / Adult Care Services	Adult Social Care - Mental Health	Mental Health Service - Outcome Based Commissioning 5% saving. -Population based capitation method of contracting for health and social care services for adults experiencing mental ill-health .	A	0.0	(0.350)	0.000	0.000
PEOPLE	Children & Family Early intervention and Children's Social Care	Children In Need Service	CIN - Demand management. Proposed	A	0.0	(0.345)	0.000	0.000
PEOPLE	Adult Care	Assessment & Case Management	Learning Disability Supported Living. Systematic review of all clients supported in 24hr placements - 1.7 FTE social workers employed who are systematically reviewing and moving when necessary, high cost placements	G	0.0	(0.327)	0.000	0.000
PEOPLE	Gateway and Welfare Services	Welfare and Benefits Services	Reducing the cost of homelessness through increased prevention and intervention.	A	0.0	(0.300)	0.000	0.000
PEOPLE	Integrated Commissioning / Adult Care Services	Assessment & Case Management	Introduction of Preferred Partner Dynamic Purchasing System - Residential and Nursing Care. To tender for unit rates for residential and nursing care, that aim to provide a saving on current rates as well as being part of a wider market management strategy.	A	0.0	(0.250)	0.000	0.000
PEOPLE	Children & Family Early intervention and Children's Social Care	Looked After Children	Human Rights Assessments introduced for children under - no recourse to public funds. Still under discussion. Also negotiating with Home Office to bring forward removal of those with exhausted rights from UK.	A	0.0	(0.250)	0.000	0.000
PEOPLE	Children & Family Early intervention and Children's Social Care	Children In Need Service	Children In Need (CIN) - review of residential placements for children with special needs thus reducing the care element of these costs.	A	0.0	(0.250)	0.000	0.000
PEOPLE	Integrated Commissioning / Adult Care Services	Director of Commissioning	Joint QIPP/Council efficiency programme: a more coordinated approach to delivery of agreed efficiencies / cost improvement projects involving health and social care.	A	0.0	(0.150)	0.000	0.000
PEOPLE	Children & Family Early intervention and Children's Social Care	Looked After Children	Re-commission of contact assessments to one provider - based on Lambeth experience	A	0.0	(0.150)	0.000	0.000
PEOPLE	Adult Care	Assessment & Case Management	Resilience & Transition to Adults - reduction in transition costs for 18 - 25 yr olds LD & PD - We have 2 FTEs social workers who are working through a transitions cohort of 300 plus services users to review and reduce their cost packages as we begin to use the Care Funding Calculator to determine a fair price for care.	G	0.0	(0.150)	0.000	0.000
PEOPLE	Gateway and Welfare Services	Bereavement Services	Bereavement - Bring services together, staff savings, review fees and charges, introduction of non-service cremations	G	TBC	(0.145)	0.000	0.000
PEOPLE	Integrated Commissioning / Adult Care Services	Assessment & Case Management	Learning Disabilities Integrated Framework (IFA). "Call-off" services against the framework to reduce the hourly rate. To utilise the integrated framework rates and transfer legacy provision to the framework or call off new cohorts from the framework. This does not solve the lack of accommodation for people with LD and therefore is not always an appropriate tool.	A	0.0	(0.128)	0.000	0.000
PEOPLE	Integrated Commissioning / Adult Care Services	Assessment & Case Management	Learning Disability Day Services - service review. Comprehensive review of day opportunities/services for adults with learning disabilities, specification and procurement of services.	A	0.0	(0.125)	0.000	0.000

APPENDIX 1 TOTAL SAVINGS OPTIONS

Department	Division	Service	Options	RAG Status	FTE	17/18 £m	18/19 £m	2019/20 £m
PEOPLE	Adult Care	Learning Disability	Reduction in of the value of the LATC contract, the remainder to be used to develop services for those in most need. This contract is currently under review.	A	0.0	(0.125)	0.000	0.000
PEOPLE	Adult Care	Assessment & Case Management	Transitions (Learning Disability and PD Service users) - reduction in costs of packages. This applies to the PD transitions group who currently are being reviewed under the Croydon Challenge project - it is related to promoting independence via supported living options	G	0.0	(0.100)	(0.150)	0.000
PEOPLE	Gateway and Welfare Services	Registrars	Registrars - service restructure and increased charges, introduction of non-refundable deposits	A	TBC	(0.100)	0.000	0.000
PEOPLE	Adult Care	Learning Disability	Decommission Heather Way respite unit. £250k will be retained to service the clients in the P & V sector. There maybe potential for a capital receipt or alternative use e.g. temporary accommodation for this building.	A	0.0	(0.100)	0.000	0.000
PEOPLE	Universal People Services	Schools Places & Admissions	Octavo contract savings of 5% in16/17 & 10% in 17/18	A	0.0	(0.090)	0.000	0.000
PEOPLE	Integrated Commissioning / Adult Care Services	Integrated Commissioning / Working Age Adults	Supported Housing Efficiencies - retendering of contracts. Retendering of a range of existing supported housing contracts at a lower unit cost.	A	0.0	(0.075)	0.000	0.000
PEOPLE	Adult Care	Assessment & Case Management	Commissioners to review LD respite care provision - and go out to tender	A	0.0	(0.058)	0.000	0.000
PEOPLE	Integrated Commissioning / Adult Care Services	Integrated Commissioning / Working Age Adults	Shared Lives - review scheme as an alternative to more expensive options. Expansion of the current scheme within resources to increase the availability of less expensive placements for a wider client group.	A	0.0	(0.050)	0.000	0.000
PEOPLE	Gateway and Welfare Services	Bereavement Services	Pet Cremations/ Bereavement / Registrars restructure	G	0.0	(0.050)	0.000	0.000
PEOPLE	Adult Care	Assessment & Case Management	Commissioners to work with LD care home providers where residents attend LATC services	A	0.0	(0.036)	0.000	0.000
PEOPLE	Integrated Commissioning / Adult Care Services	Adult Social Care - Mental Health	Mental Health - Younger Adults s117 - less costly way of enabling people to access housing benefit. -Diversion of costs from B and B budget to Housing Benefit.	A	0.0	(0.020)	0.000	0.000
PEOPLE	Integrated Commissioning / Adult Care Services	Adult Social Care - Mental Health	Review of MH Younger Adults high cost placements which are out of borough. - Seek more cost effective placements which meet identified need closer to Croydon through review of needs and development of innovative support plans.	A	0.0	(0.014)	0.000	0.000
PEOPLE	Housing Need	Incomes and Lettings	Income collection from tenants car parking permits	A	0.0	(0.006)	0.000	0.000
PEOPLE	Universal People Services	Schools Admissions and Place Planning	Admissions and place planning - coordinated admissions training to academies and traded service school appeal presenting officer	G	0.0	(0.005)	0.000	0.000
PLACE	Planning	Development Management	Increased income via applications (volume and fee increase expected over time) and pre-applications (moves towards full cost recovery)	G	0.0	(0.100)	0.000	0.000
PLACE	Streets	Waste	New waste Contract	A	0.0	0.000	(4.500)	0.000
PLACE	Streets/District Centres & Regeneration	All Services	Operational costs of Monks Hill Sport Centre. Cost reduces from centre established and income increases	A	0.0	(0.040)	0.000	0.000
PLACE	Planning	Spatial Planning	Headcount reduction - Place/Plan making - 3 ftes	G	-3.0	(0.009)	0.000	0.000
RESOURCES	Finance & Assets	Asset Management & Estate	Croydon Challenge Asset Management - increased income for improved space utilisation in BWH and other office space	G	0.0	(1.500)	0.000	0.000
RESOURCES	CT & CS	Development Division	Digital Advertising - Implementing scheme across the borough	A	0.0	(0.500)	0.000	0.000
RESOURCES	Finance & Assets	All Services	Explore options for shared transactional services linked to One Oracle	A	-6.0	(0.250)	0.000	0.000
RESOURCES	CT & CS	Information Communication Technology	Renegotiate connect IT contracts and service towers. No service impact	G	0.0	(0.250)	0.000	0.000
RESOURCES	Voluntary Sector Funding	Voluntary Sector Funding	10% reduction in funding	A	0.0	(0.200)	(0.200)	0.000
RESOURCES	CT & CS	Revenue and Benefits	Creation of in-house bailiff service	G	0.0	(0.200)	0.000	0.000
RESOURCES	Finance & Assets	Facilities Management	Expected savings from reprocurement of FM contract	G	0.0	(0.200)	0.000	0.000
RESOURCES	CT & CS	Information Communication Technology	Reduced costs of other major ICT contracts and licensing	G	0.0	(0.150)	0.000	0.000
RESOURCES	SCC	SCC Division	Further consolidation of enabling support services in relation to commissioning	G	-2.0	(0.100)	0.000	0.000
RESOURCES	SCC	SCC Division	Procurement Taskforce - Contract Management Review. Targeted review of key contracts across the organisation	G	0.0	(0.100)	0.000	0.000
RESOURCES	Democratic & Legal	All Services	Restructure of Services (Tier 2)	A	-1.0	(0.075)	0.000	0.000
RESOURCES	CT & CS	Revenue and Benefits	Process review and automation	G	-2.0	(0.060)	0.000	0.000
RESOURCES	Democratic & Legal	Legal Services	Total legal spend internal & external;	G	0.0	(0.050)	(0.050)	0.000
RESOURCES	HR	Corporate Learning and Organisational Development	Potential saving of >£250k across the council in L&D review which is underway. Not possible to anticipate how that save will be allocated across services yet.	A	0.0	(0.050)	0.000	0.000
RESOURCES	SCC	SCC Division	Reshaping SCC to meet the Organisations future needs	G	0.0	(0.050)	0.000	0.000

APPENDIX 1 TOTAL SAVINGS OPTIONS

Department	Division	Service	Options	RAG Status	FTE	17/18 £m	18/19 £m	2019/20 £m
RESOURCES	SCC	SCC Division	Alternative Service Delivery model for SCC	G	0.0	(0.050)	0.000	0.000
RESOURCES	CT &CS	Information Communication Technology	Applications consolidation and integrations	G	0.0	(0.050)	0.000	0.000
RESOURCES	CT &CS	Information Communication Technology	10% p.a. Reduction in PC's to match reduced org resources no service impact	G	0.0	(0.043)	0.000	0.000
RESOURCES	CT &CS	Business Support	Transformation - Reduction in dept support	A	0.0	(0.033)	0.000	0.000
RESOURCES	CT &CS	Strategy & Development Division	Move web service onto cloud hosting to reduce costs. Slight reduction in resilience arrangements but no significant service impact	G	0.0	(0.033)	0.000	0.000
RESOURCES	CT &CS	Contact Centre Division	Efficiencies from customer contact service system improvements. No customer impact	A	-2.0	(0.030)	0.000	0.000
RESOURCES	CT &CS	Business Support	Deploy technology refresh and expand scanning	G	0.0	(0.030)	0.000	0.000
RESOURCES	CT &CS	Revenue and Benefits	Corp debt income - improved collection processes	G	0.0	(0.020)	0.000	0.000
RESOURCES	HR	All Services	Further review of staffing structure	G	0.0	(0.010)	0.000	0.000
TOTAL SAVINGS					16.0	(12.452)	(5.656)	0.000

Summary By Dept	17/18 £m	18/19 £m	2019/20 £m
People	(8.269)	(0.906)	0.000
Place	(0.149)	(4.500)	0.000
Resources	(4.034)	(0.250)	0.000
TOTAL	(12.452)	(5.656)	0.000

Capital Programme Outturn - 2015/16 to 2018/19

Appendix 2

Category	Revised Budget 2015/16 £000's	Outturn 2015/16 £000's	Outturn Variance 2015/16 £000's	16/17 Original Budget £000's	Slippage from 15/16 £000's	Revised 16/17 Budget £000's	17/18 Budget £000's	18/19 Budget £000's
DASHH - ICT / South West London Partnership / Disabled Facilities Grants	3,069	2,103	(966)	1,600	966	2,566	1,600	1,600
Education - Acadamies Programme	569	728	159	317	159	476	-	-
Education - DDA	254	55	(199)	-	199	199	-	-
Education - Fixed term expansion	3,751	1,998	(1,753)	2,491	1,753	4,244	25	-
Education - Major Maintance	3,484	3,047	(437)	2,119	437	2,556	2,000	2,000
Education - Miscellaneous	2,898	-	(2,898)	1,180	2,828	4,008	400	-
Education - Permanent Expansion	28,973	14,509	(14,464)	74,060	14,464	88,524	28,064	1,732
Education - Secondary Schools	12,165	13,181	1,016	8,500	-	8,500	139	-
Education - Special Educational Needs	6,498	4,501	(1,997)	16,444	981	17,425	10,787	200
People sub-total	61,661	40,122	(21,539)	106,711	21,787	128,498	43,015	5,532
Bereavement Services	19	-	(19)	30	19	49	1,300	-
East Croydon Station Bridge	1,200	-	(1,200)	-	1,200	1,200	-	-
Fairfield Halls	4,649	2,298	(2,351)	4,000	-	4,000	5,000	-
Feasibility Fund	118	114	(3)	-	3	3	-	-
Highways Programme	6,000	6,131	131	5,000	-	5,000	5,000	5,000
Highways - Bridges Prog	642	484	(158)	-	158	158	-	-
Parking	107	73	(34)	-	34	34	-	-
Public Realm	16,154	14,533	(1,621)	-	1,621	1,621	-	-
TFL - Local Implementation Programme	6,012	6,012	-	3,336	-	3,336	3,336	3,336
Don't Mess With Croydon	-	-	-	2,160	-	2,160	160	160
Transforming Our Space	129	59	(70)	-	-	-	-	-
Taberner House	7,200	7,182	(18)	-	-	-	-	-
Empty Homes Grant	2,242	1,824	(418)	500	418	918	500	500
Salt Barn	750	22	(728)	-	728	728	-	-
New Addington Leisure Centre	1,000	696	(304)	7,830	304	8,134	8,500	-
Waste and Recycling Investment	2,160	443	(1,717)	-	1,717	1,717	-	-
Measures to mitigate travellers in parks and open spaces	233	46	(187)	-	187	187	-	-
Thornton Heath Public Realm	264	61	(203)	2,158	203	2,361	-	-
Ashburton Library	90	70	(20)	400	20	420	100	-
Section 106 Schemes	990	133	(857)	-	857	857	-	-
Onside Youth Zone	-	-	-	2,000	-	2,000	1,000	-
Ward Based Programme	120	-	(120)	120	-	120	-	-
Place sub-total	50,079	40,181	(9,897)	27,534	7,469	35,003	24,896	8,996
Corporate Property Maintenance Programme	10,216	3,025	(7,191)	2,100	7,191	9,291	2,000	2,000
ICT	10,256	8,152	(2,104)	1,500	2,104	3,604	1,500	1,500
ICT Refresh	-	-	-	4,719	-	4,719	1,173	8,582
Resources sub-total	20,472	11,177	(9,295)	8,319	9,295	17,614	4,673	12,082
General Fund total	132,212	91,480	(40,731)	142,564	38,551	181,115	72,584	26,610
Housing Revenue Account	42,957	33,618	(9,339)	33,621	9,339	42,960	33,621	33,621
Capital Programme Total	175,169	125,098	(50,070)	176,185	47,890	224,075	106,205	60,231

For General Release

REPORT TO:	CABINET 11 July 2016
AGENDA ITEM:	10
SUBJECT:	The Council’s financial position in relation to Business Improvement Districts (BIDs) and recommendation on new BID applications and BID renewal processes.
LEAD OFFICER:	Jo Negrini, Acting Chief Executive Stephen Tate, Director of District Centres & Regeneration
CABINET MEMBER:	Cllr Mark Watson Cabinet Member for Economy and Jobs
WARDS:	All
<p>CORPORATE PRIORITY/POLICY CONTEXT/AMBITIOUS FOR CROYDON:</p> <p>This report expands on economic development and regeneration aspects of the adopted Growth Plan; The Croydon Promise in its delivery of:</p> <ul style="list-style-type: none"> • The best location in London to start and grow a business • Giving back to the community <p>It also supports the Corporate Plan 2015 – 2018 and Community Strategy specifically the objectives to compete as a place:</p> <ul style="list-style-type: none"> • A place where people choose to live, work, play and invest • A place with a competitive local economy and labour market • A place where town centres flourish <p>Background:</p> <p>The Council has key ambitions to grow Town and District Centres pursuing jobs and housing growth. Business Improvement Districts (BIDs) support a number of priorities for the borough namely in jobs and the economy that help deliver these ambitions across the centres.</p> <p>JOBS & THE ECONOMY:</p> <ul style="list-style-type: none"> • We will work to improve development opportunities and investment in Croydon • We will encourage businesses to invest in our district centres and to employ local people and we will use business rates to help achieve this • We will take steps to encourage owners of empty offices to bring the buildings back into productive use • We will support and encourage co-operative solutions to the Croydon economy <p>As well as forming part of the local community strategy; BIDs are supported by the Mayor of London as part of the GLA’s <i>Economic Development Strategy (2012)</i>. They are strongly championed as part of the current work to revive the UK’s high streets</p>	
<p>FINANCIAL IMPACT</p> <p>There are a number of financial implications associated from the creation and operation of Business Improvement Districts (BIDs). These are funded from the Council’s Revenue Budget.</p>	

FORWARD PLAN KEY DECISION REFERENCE NO.: 21.16.CAB

This is a Key Decision as defined in the Council's Constitution. The decision may be implemented from 1300 hours on the 5th working day after it is made, unless the decision is referred to the Scrutiny & Strategic Overview Committee by the requisite number of Councillors.

The Leader of the Council has delegated to the Cabinet the power to make the decisions set out in the recommendations below:

1. RECOMMENDATIONS

The Cabinet is recommended to:

Agree that, during the period July 2016 - May 2018, and on receipt of a Business Improvement District (BID) proposal, whether for renewal of an existing BID or a new BID, the Cabinet Member for Economy and Jobs in consultation with the Executive Director for Place be given delegated authority to:

1.1 Consider on behalf of the Council as billing authority, whether the proposal conflicts with any formally adopted policy of the Council, and, if it does, give notice of this in accordance with the BID regulations;

1.2 Determine whether the Council should support the BID proposal and if so, to vote yes on its behalf in the BID ballot. If a 'no' vote is proposed, this will be referred to Cabinet for further consideration;

1.3 Formally manage the ballot process in accordance with the BID regulations;

1.4 That subject to a 'yes' vote at ballot by the relevant business community for the BID in question, the Council as relevant local billing authority will manage the billing and collection of the additional levy, and its transfer to the BID company. In the event of a 'no' vote, that the costs of the ballot be recovered from the BID Company as per the BID regulations.

1.5 Enter into key operating agreements with the BID company regarding the operation of the Bid and delivery of Council requirements and baselines.

2. EXECUTIVE SUMMARY

2.1. Croydon is on an exciting journey towards substantial growth, regeneration and reinvestment. Over the next five years' in excess of £5bn will be invested within our metropolitan area, which will feed and sustain further growth within our district centres. Part of this growth will be achieved through private led initiatives and one means to enable this is through supporting the facilitation of business groups and Business Improvement Districts in town and district centres.

This report identifies economic opportunity created by the Council supporting the establishment or renewal of BIDs during the period between July 2016 and May 2018. Specifically, this paper sets out the Council's approach to the renewal ballots for Croydon Town Centre BID (autumn 2016) and New Addington BID (autumn 2017). It also supports the formation of new BIDs within the District Centres over the same time period.

3.0 DETAIL

3.1 Background – Business Improvement Districts

- 3.1.1. Part 4 of the Local Government Act 2003 and the Business Improvement Districts (England) Regulations 2004 permits local business communities to set up a BID as part of the borough community strategy. A BID is a geographical area where businesses are invited to decide how to improve their trading environment, although the regulations don't specify how that geographical area is formed. A local mechanism is used to progress the BID where non-domestic ratepayers occupying local business premises (known as hereditaments) pay an extra levy on top of the annual business rates for a fixed period. This additional funding is ring-fenced and spent at the discretion of the BID Board on a business plan of services and improvements within the BID area.
- 3.1.2. The BID regulations allow any local business community to set up a Business Improvement District (BID), provided that 51% or more of voting business ratepayers in the proposed area (in terms of both absolute numbers and rateable value) vote in favour. The vote for a BID is carried out by secret postal ballot, which is organised by the local authority. Eligibility to vote is based on one vote per each eligible business premise (hereditament) situated in the defined BID area.
- 3.1.3. The regulations require the BID business plan ('the BID proposal') to include the range of new or expanded services and works over and above those provided by the local authority. The local authority is in turn required to demonstrate its intention to maintain its existing services to businesses within the geographical area of the BID for the duration of the BID through baseline agreements. The core focus is a programme of additionality, complementing those services provided within the area by the local authority and other statutory services. A BID has the potential to bring significant extra regeneration impact to a town or district centre.

3.2 Business Improvement Districts - Implications for the Council

- 3.2.1. Under the regulations, the Council has a duty to consider whether or not the proposals conflict with any formally adopted and published policy of the council, and if it does, give formal notice to the proposer explaining the nature of that conflict. By giving its approval the local authority is satisfying itself that the proposal conforms to the regulations. It also needs to satisfy itself that the BID proposal has sufficiently demonstrated:
- The business consultation undertaken;
 - The financial management arrangements for the BID body;
 - The proposed business plan;
 - That a contract is in place between the BID company and the local authority; and
 - That all necessary steps have been taken to ensure the proposal is robust.
- 3.2.2. The Council has voting rights on the ballot for the BID, if we have Council owned hereditament in a proposed BID area. However, in reality, if a BID is successfully voted in the financial implications for the Council would be the same.

3.3. Business Improvement Districts - The benefits to the Council and Local Economy

- 3.3.1. The key priority for the Council is to ensure that Croydon residents benefit from economic growth in the borough, and to ensure they have the opportunities to develop new or to expand existing local businesses, as well as, skills and qualifications to access decently paid jobs. To maximise this opportunity, we are working with businesses and residents in district centres to create high streets that serve their local

community, including community facilities, that are safe, with high quality public realm that are easy to navigate. Some of these district centres have existing business groups and others are intending on forming business or traders groups to support their town centres. Others, including Croydon Town Centre, Purley and New Addington District Centres have been identified as growth areas and a focus for place-based development and regeneration and each has a Business Improvement District (BID).

3.3.2. The benefits to the Council of Business Improvement Districts are as follows:

- Contribute towards our key priority for the Council to ensure that Croydon residents benefit from economic growth in the borough, and to ensure they have the opportunities to develop new or to expand existing local businesses, as well as, skills and qualifications to access decently paid jobs.
- Long term savings of a dedicated resource to act as a link to the district centre.
- A focus on economic regeneration within the district.
- Deliver additionality against the Council's priorities of crime and disorder & environmental improvements and sustainability.
- Better community cohesion from the events schedule planned by the BID to encourage footfall.

3.4. Business Improvement Districts in London Borough of Croydon

3.4.1. Croydon Town Centre, Purley and New Addington District Centres have been identified as a focus for place-based development and regeneration and each has a Business Improvement District with different inception and renewal periods which are set out in the table below. During the period that this report refers to the Croydon Town Centre BID and the New Addington BID will hold ballots, whereas Purley BID falls outside the scope of this report:

BID DISTRICT	INITIAL VOTE	ESTABLISHED	RE-BALLOT DUE
Croydon Town Centre BID (one of the largest BIDs in the UK)	2006	2007	Autumn 2016
New Addington BID (the smallest BID in the UK)	2012	2013	Autumn 2017
Purley BID (achieved a successful inception ballot in autumn 2015)	2015	2016	Autumn 2020 <i>(For information only)</i>

3.4.2. Other district centres have expressed an interest in pursuing a BID, such as Coulson and Thornton Heath, though these are likely to take some time to come forward and may decide to form alternative mechanisms to drive growth in their district centres.

3.4.3. The Council has supported the above three BIDs and their renewals since 2006 and they have created successful outcomes in the areas that they serve. Given that there are two future renewals required in 2016-18 and the potential for new BID ballots in other district centres, it is recommended that the Cabinet approve delegated authority be given to the Cabinet Member for Economy and Jobs in consultation with the Executive Director for Place in accordance with the recommendations to this report.

3.4.4. In addition, in light of current financial pressures the Council will not be in a position to contribute an annual voluntary contribution to supplement the compulsory levy that they would be subject to annually (subject to a 'yes' vote).

3.5. Croydon Town Centre BID

- 3.5.1. The Croydon Town Centre Business Improvement District was established in 2007 and renewed for a further 5 years as a result of a successful 'yes' vote in November 2011. The Council is expecting to receive a BID proposal from Croydon Town Centre BID by end of August 2016 which will then be evaluated in accordance with the regulations. They have indicated that if the proposal is authorised as in line with the regulations that the third 5 year period will be the subject of a vote at ballot between 3rd October and 3rd November 2016, with the outcome on 4th November and subject to a further 'yes' vote the BID will continue from 1 April 2017. The Head of Elections and Civic Services has agreed a proposed draft timeline on this basis.
- 3.5.2. The terms of the agreement with Croydon Town Centre BID will come to an end once this current 5 year term has ceased and, subject to a renewal of the BID at ballot in November, the Council will renegotiate the terms of the agreement with Croydon Town Centre BID to ensure that these are in line with other BIDs across the Borough.
- 3.5.3. Over the last few months, the Council has been collaborating with the Croydon Town Centre BID, regarding their ballot in November 2016 on whether to renew the BID. A successful 'yes' vote at ballot has the potential to unlock further levy income of around £980,000 in 2017-2018 (assuming all 100% of monies owed is collected), although it is likely that future years will see variation in income raised as a result of the changes within the number of vacant units in the town centre as a result of redevelopment, to support interventions supported by levy payers. As a key partner and levy payer, the Council will vote in the establishment ballot and can influence those interventions.
- 3.5.4. The priorities for the Croydon Town Centre BID over the last five years have been to:
- Ensure that visitors, customers and employees feel safer and business premises are more secure;
 - Improve the perception and image of Croydon as an area in which to invest, work and live;
 - Make the working environment cleaner and more attractive for visitors, whether they are shoppers, employees or office clients;
 - Improve accessibility by promoting awareness of good transport access to the BID area and making the area easier to navigate;
 - Establish one 'port of call', which would act as a facilitator and a collective voice to identify issues and solutions for businesses and to represent them to Croydon Council and other organisations;
 - To coordinate a number of well organised and high profile festivals and events, to establish Croydon as a cultural centre in the South East.
- 3.5.5. The draft priorities for the Croydon Town Centre BID for the next five years are proposed as follows and will be confirmed after consultation and formal submission of the proposals to the Council:
- Pledge 1 – Investing in your safety
 - Pledge 2 – Creating a great impression
 - Pledge 3 – Delivering brighter streets
 - Pledge 4 – Helping you in and around
 - Pledge 5 - Bringing businesses together
- 3.5.6. The Croydon Town Centre BID area (detailed in Appendix 2 of this report), is focused around the Metropolitan Centre and as at June 2016, has approximately 580 hereditaments (properties eligible to pay business rates). As part of the modelling exercise, the levy has been set at 1% of the business rate per annum (by rateable value), estimated at c. £980,000 per annum if all is collected and at c. £850,000 per

annum if 92% of all fees are collected. A threshold level has also been suggested, so that individual hereditaments below £40,000 per annum will not have to pay the levy. This threshold is expected to preclude certain listings such as ATM's, places of worship and schools.

- 3.5.7. It is the Croydon Town Centre BID's intention that, subject to a yes vote at ballot; the BID will commence 1 April 2017 and that its third term will run for 5 years (2017 – 2022) with a re-ballot in autumn 2021 expected.
- 3.5.8. The proposed timeline from ballot to start of the BID, if successful is therefore as follows.

Publication Notice of Ballot	22 September
Voting starts	03 October 2016
Voting closes	03 November 2016
The results are announced	04 November 2016
If a Yes vote Croydon Town Centre BID would start	01 April 2017

4. CONSULTATION

- 4.1. Consultations and discussions regarding the content of the report have been discussed with internal colleagues across different teams including Legal, Finance, Elections and Civic Services, resources department and other teams. In addition, we have discussed the implications with the different Business Improvement Districts regarding the review of levy collection charges and the likely implications.
- 4.2. The Croydon Town Centre BID has been engaging and consulting with businesses within the BID area and initial feedback from hereditaments has been favourable. Consultation on the key proposed BID themes and activities continued through to the production of the formal BID proposal document that is now being used for canvassing throughout the ballot period up to November 2016. In order to research the business needs the following steps have being undertaken:
- Formal consultation with all 580 hereditaments via online survey with c. 130 responses received to date;
 - Three formal workshops with 87 hereditaments booked to attend;
 - One to One meetings with high value levy hereditaments to secure their yes vote.

5. FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

1 Revenue and Capital consequences of report recommendations

- 1.1. There are financial implications for the Council in association with the creation of Business Improvement Districts (BIDs).
- 1.2. These include funding the ballot process which takes place every five years to establish a BID. These costs range from between £3k and £6k depending on the size of the ballot and are carried out by Council electoral services and funded from existing revenue budgets.
- 1.3. If a BID is established the Council is responsible for the administration, billing and collecting the Levy from the businesses within the geographical area of the BID. There

is however no financial impact to the Council's revenue fund from this responsibility as these costs are recharged to the members within the BID.

1.4. Where a BID is established and the Council owns properties within the BID it would be responsible for paying the annual levy associated with these properties. This will vary for each BID depending on size and property portfolio. For example, Croydon Town Centre BID currently costs the Council £34,000 per annum in this current (2012 – 2017) 5 year lifespan of the BID.

2. The effect of the decision

- Receipt of revenue per annum to help in the regeneration of the area (s);
- Continuity of business relationships built up in the area (s) through various ongoing and past initiatives;
- Continued engagement of local businesses to work in partnership with each other and with the Council for the betterment of the area resulting in dissolution of the Croydon Town Centre BID;
- Continued development of initiatives that attract footfall to the area and community engagement.

3. Risks

The BID process is seen by the government as an innovative process of enabling business communities to contribute significantly to the future economic development of their local area and regenerate high streets.

The risk of an area not embracing this potential is that investment needed to retain businesses, increased footfall and attract inward investment in a local district centre may not be forthcoming, compared with neighbouring areas where this opportunity is being exploited. At a time of austerity, Croydon, a significant commercial centre in South London, cannot risk losing the opportunity to regenerate its local business communities.

4. Options

There are no perceived alternative options for the Council. If the business community chooses to pursue the legislative BID route and vote 'yes', then the Council is obliged to play its part in the process. It is also obliged to fund the ballot process unless the ballot is unsuccessful.

5. Future savings/efficiencies

As a private sector initiative, the BID has no impact on the future savings or efficiencies of the Council. Any reduction of ownership of property in the BID area will have a direct impact on the levy payment due. The BID when operational, will add value to the wider economy of the Town Centre or District Centres.

(Approved by: Lisa Taylor – Assistant Director of Finance and Deputy S151 Officer)

6. COMMENTS OF THE COUNCIL SOLICITOR AND MONITORING OFFICER

- 6.1. The Acting Council Solicitor comments that Part 4 of the Local Government Act 2003 and the Business Improvement Districts (England) Regulations 2004 (BID Regulations) provides for the establishment of a Business Improvement District within a specified geographical area in the Borough to carry out specified projects for the benefit of the business improvement district or those who live, work or carry on any activity in the district, and to finance those projects through a local levy. The processes and procedures which the Council is required to follow are set out in the BID regulations and are detailed within the body of the report. Beyond compliance with the statutory provisions, there are no other direct legal implications arising from the recommendations within the report.

(Approved for and on behalf of Gabriel Macgregor, Head of Corporate Law, Acting Council Solicitor and Acting Monitoring Officer)

7. HUMAN RESOURCES IMPACT

- 7.1. As the BID is being led by a private organisation, the management and operations of the BID Company will not be the responsibility of the Council and will have no additional human resources impact. The impact of the ballot and billing / collection / transfer of the BID levy need to be factored into the Council's current human resources within Electoral Services and Finance and Resources for the year of ballot.

(Approved by Adrian Prescod, HR Business Partner, for and on behalf of Interim Director of Human Resources, Chief Executive Department)

8. EQUALITIES IMPACT

- 8.1. The BID is a separate entity to the Council and provides services that are over and above those undertaken by the Council.
- 8.2. A Stage 1 equality analysis was undertaken to assess whether BIDs are likely to have any adverse impact on residents and businesses groups that share a "protected characteristic". The analysis concluded that the proposed change is likely to help the Council in advancing equality of opportunity and fairness and that will maximise opportunity for all Croydon residents to benefit from economic growth in BID area(s).
- 8.2. The Stage 1 equality analysis recommends that the Council works with each BID Board to encourage that they continue to monitor and regularly review the impact of proposals to ensure the benefits are delivered to all residents and businesses. If appropriate, the BID Board will be encouraged to consider mitigating action to ensure that those equality groups that currently face economic inequality are provided targeted support.
- 8.3. The proposal to develop a BID will support the Council in delivering on the economic development and regeneration aspects of the adopted Growth Plan and the Council's Equality and Inclusion objective to work in partnership to lift people out of poverty by increasing employment opportunities across the borough and ensuring local people to have a pathway into employment, education and training.
- 8.4. The need or otherwise for a full Equality Analysis for Croydon Town Centre BID is dependent on the feedback from engagement and consultation which is ongoing at present. Section 4 of this Cabinet report states that engagement and consultation is currently ongoing with businesses. The feedback from this process should be analysed and used to update the Equality Analysis with any social inclusion and/or

equalities issues. If no negative equalities implications are identified it is not necessary to undertake a full equality analysis.

9. ENVIRONMENTAL IMPACT

- 9.1. The Council will ensure that all environmental considerations are given appropriate assessment at all levels of the delivery of projects which deliver more employment opportunities for the borough's residents.

10. CRIME AND DISORDER REDUCTION IMPACT

- 10.1. A key focus of the BID proposal will be additional local safety and security initiatives to add to the Council's ongoing commitment. In this way, a BID will play a part in orchestrating business led solutions to criminal and anti-social behaviour.

11. REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

- 11.1. There are no perceived alternative options for the Council. If the business community chooses to pursue the legislative Business Improvement District route and vote 'yes', then the Council is obliged to play its part in the process. It is also obliged to fund the ballot process unless the ballot is unsuccessful.

12. OPTIONS CONSIDERED AND REJECTED

- 12.1. The following options were considered:
- A. Bring all BIDs before full Cabinet at each stage
 - B. Delegate authority as per the recommendations for the reasons set out in the report - recommended

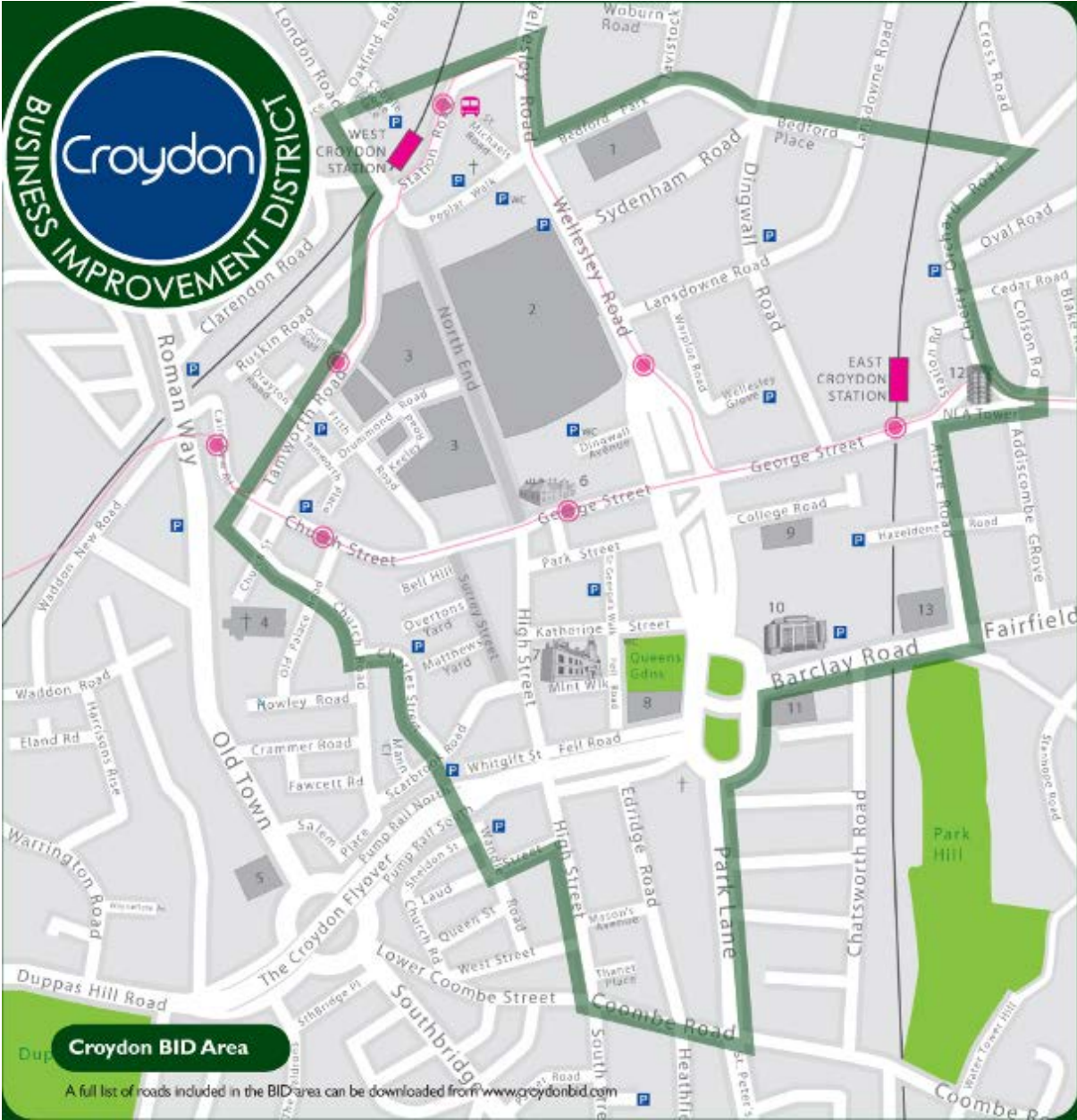
CONTACT OFFICER: Stephen Tate Director of District Centres & Regeneration x 47446; Lisa Sharp Senior Regeneration Manager (Economic Delivery) x 63580

BACKGROUND DOCUMENTS: Initial Equalities Impact Assessment

APPENDICES ATTACHED:

Appendix 1: BID area - Croydon Town Centre BID map

Appendix 1 CROYDON TOWN CENTRE BID AREA



For General Release

REPORT TO:	CABINET 11 July 2016
AGENDA ITEM:	11
SUBJECT:	Implications of National Education Policy for Local Practice
LEAD OFFICER:	<i>Paul Greenhalgh</i> Executive Director People Department
CABINET MEMBER:	Councillor Alisa Flemming Cabinet Member Children, Young People and Learning
WARDS:	All
<p>CORPORATE PRIORITY/POLICY CONTEXT/AMBITIOUS FOR CROYDON:</p> <p>Croydon Council is committed to ensuring the highest quality of education for all children in the Borough. This is clearly spelled out in the “Ambitious for Croydon” manifesto commitment to work “with every Croydon school to make sure that all are schools of choice for local families”.</p> <p>To enable people of all ages to reach their potential through access to quality schools and learning.</p> <p>Ambition Priority 2: Independence</p> <p>Continue to improve the proportion of schools which are judged good or better by OFSTED and support and challenge schools to improve the standards being achieved</p>	
<p>FINANCIAL IMPACT</p> <p>The financial risk and impact of central government proposals outlined in this report can not be quantified at this stage. The second consultation on the National Funding Formula, which is due over the Summer, should provide us with information on the formula quantum that we will be working with that will enable modelling to start taking place. The first consultation that took place over the Easter focused on National Funding Principles.</p>	
<p>KEY DECISION REFERENCE NO.: This is not a key executive decision</p>	

The Leader of the Council has delegated to the Cabinet the power to make the decisions set out in the recommendations below

1. RECOMMENDATIONS

The Cabinet is recommended to:

- 1.1 Welcome the reversal of government policy to force academisation of all schools.
- 1.2 Agree that the Council continues to engage with central government regarding the implications of the policies and guidance outlined in this report in order to maintain local influence of education and sufficient funding to carry out its statutory duties, including the funding required to support the school improvement functions in Local Authority maintained schools.
- 1.3 Note that Cabinet be updated once the outcomes of the National Funding Formula consultation and the Education for All Bill is published and their implications for Croydon.

2. EXECUTIVE SUMMARY

2.1

The purpose of this report is to outline the potential local impact of the “Educational Excellence Everywhere” White Paper, the National Funding Formula and the forthcoming “Education for All Bill”.

The main financial considerations for the Council, whilst yet to be finalised, will be the funding of central statutory services, the viability of support offered to schools in Croydon through its contract with The Octavo Partnership and the costs to the Council in paying for the legal fees for conversion of schools and the leasing of land.

3. Local Context and academisation of schools

- 3.1 The arrangements for ensuring children in Croydon’s schools are attending a good or better school have been very successful in recent years. From a baseline of 64% of schools being judged good or better in 2012, 87% of primary schools are now judged at this grade. This improvement has been due to a number of factors, not least the hard work and commitment of leaders and staff in our schools. The Council has ensured support is provided to all schools in the Local Authority, now through its contract with The Octavo Partnership, has challenged underperformance rigorously through its use of statutory powers and has, where necessary, supported both the establishment and growth of successful Multi-Academy Trusts (MATs). LA officers have also worked with leaders in schools to set out a clear Borough strategy for improvement, based on the idea of a Croydon “family of schools”, regardless of the type or designation of school.

All but 5 Croydon secondary schools are Academies, with the remainder being either Church of England or Roman Catholic Aided schools, and just under half of primary schools are now academies, the majority of which are members of MATS. Academies in Croydon are variously “stand-alone” converter academies (where a successful school has chosen to convert to academy status in its own right), sponsored academies (where a school has either chosen to join with another school(s) to add additional capacity or where a failing school has been required to be sponsored), and Multi-Academy Trusts. Sponsors and MATS in Croydon are comprised of both “home-grown” Trusts, such as STEP, Pegasus, Riddlesdown, Coloma and Synaptic, larger Federations, such as Harris, and national chains such as ReaCH2 and Oasis (who, nevertheless, began their work in Croydon at Oasis Coulsdon and Oasis Shirley Park).

- 3.2 The letter from the Leader and Lead Member to the Secretary of State (see appendix 1) sets out further arguments against forced academisation of schools. This Council welcomes the government change of heart on this matter (see below).

4. Education for All Bill and its potential local impact

- 4.1 In March 2016 the Government published a White Paper entitled “Educational Excellence Everywhere”. This White Paper contained significant proposals, including that Local Authorities should cease to be responsible for school improvement – a role that should instead to undertaken by schools and MATS themselves. The White Paper also set out the future responsibilities of Local Authorities: place planning and admissions, including co-ordination of all in-year admissions and the administration of admission appeals, Special Educational Needs, ensuring the needs of vulnerable children are met and acting as champions for all parents and families. In May 2016 the government announced an Education for All Bill in the Queen’s Speech. This announcement affirmed the proposal to remove the Local Authority’s duty for school improvement but heralded some changes to the original White Paper.

It is proposed this Bill will remove the legal requirement to impose academisation on schools, except in two important circumstances where the government, through the Regional Schools Commissioner, will trigger conversion of all schools in a Local Authority:

- firstly, where it is clear that the local authority can no longer viably support its remaining schools because a critical mass of schools in that area has converted. Under this mechanism a local authority will also be able to request the Department for Education converts all of its remaining schools
- secondly, where the local authority consistently fails to meet a minimum performance threshold across its schools, demonstrating an inability to bring about meaningful school improvement

- 4.2 At the same time the Government launched a consultation on a National Funding Formula for schools which, in addition to a variety of proposals on funding at individual school level, outlined changes to the ways in which Local Authorities would be funded for their statutory duties. It is proposed that Local Authorities will lose responsibility for all school improvement functions once schools cease to be maintained and, as a result, the Education Services Grant,

which is currently valued at £87 per pupil, will fall to £15 per pupil from April 2017. Consultation on the National Funding Formula has included a proposal to introduce a new “Central Block” to school funding arrangements to pay for the remaining statutory duties that are proposed for Local Authorities, including amongst others, admissions, education welfare and safeguarding, although no figures are yet available to indicate the impact this will have on the resources the Council currently deploys to meet these duties. It is also unclear whether there will be sufficient resources to meet the Local Authority duty to support school improvement in schools for as long as they remain maintained.

- 4.3 From 18 April 2016 the new “Schools Causing Concern” guidance came in to force. This guidance gave Regional Schools Commissioners (RSCs) statutory powers of intervention over Local Authority maintained schools as well as Academies. This allows RSCs to intervene in maintained schools to issue warning notices and enforced academy orders to require maintained schools to become academies. These can be issued when there are concerns over standards, leadership or whether a school is deemed to be “coasting”. Whilst the Council can still intervene in maintained schools using its statutory powers, those of the RSC take precedence.
- 4.4 When all proposals are taken together it is clear there are significant implications for the Council’s role in education and for the future designation of schools that are currently maintained by the Local Authority, and also, through the greater powers already attributed to the RSC, its ability to shape the future of provision and providers in the Borough. Officers within the Council have regular and constructive meetings with the RSC, who is keen to work collaboratively and to be able to respond to local intelligence about schools, although the final decision is his. Large numbers of schools are already engaged in discussions with one another, and with MATS and the RSC, to determine the best solution for their children, families and communities. A significant driver for schools is the increasingly tight financial framework within which they operate. Whilst there are uncertainties regarding the impact of the National Funding Formula on per pupil funding in Croydon all schools are currently facing increasing costs linked to inflation, pension costs, increasing National Insurance liabilities and staff pay increases on an overall cash-flat settlement.
- 4.5 It is not yet possible to detail the precise implications for Croydon: this can only be achieved once the final detail of the Education for All Bill and the outcomes of the National Funding Formula are known. However, as can be seen from this paper, the potential implications are significant.

5. CONSULTATION

- 5.1 Not applicable to this report.

6 FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

- 6.1 There are significant potential financial implications of “Educational Excellence Everywhere”, the proposed “Education for All” Bill and the National Funding Formula for the Council. While the financial implications can not yet be quantified the significant anticipated changes are detailed below.

6.2 **DSG – Dedicated Schools Grant**

It is proposed that the changes come into force from 2017/18, and can be summarised as follows:

Move from 3 DSG funding blocks (Schools, High Needs and Early Years) to 4 blocks (schools, LA Central, High Needs and Early Years) and to combine the Education Services Grant (ESG) funding that is currently part of Formula Grant into DSG as part of the Central block.

The schools block would be ring-fenced. Currently we are able to transfer between blocks, in the future we would only be able to transfer between LA controlled blocks (Central, High Needs and Early Years).

6.3 **Flexibility on the use of DSG**

The proposed new formula will further restrict the use of DSG and this will impact on the Council especially around the High Needs block. Previously we have been able to transfer funding from the schools block to meet increasing costs as a result of the funding remaining cash flat since 2012/13 despite growth in demand of around 5% per annum. The new formula will not allow this to happen and therefore could result in an overspend of approx. £1.5m.

Historically, Early Years DSG funding was allocated based on place numbers available, rather than place numbers filled. This enabled the block to build up reserves. The block allocation has since been moved to funding based upon actual places filled at census time. Early Years numbers are increasing outside of the census dates, this alongside a decision to increase the EFA hourly rate for two year olds means that these reserves will be fully utilised by the end of 2016/17. Unless Croydon's funding allocation increases under the new National Funding formula, savings will need to be made in order to balance this budget in future years.

6.4 **ESG (Education Services Grant) and the Central Block to be introduced in 2017/18**

Under the new formula arrangements ESG will be transferred to the DSG Central Block to be managed, at a reduced rate of £15 per pupil, from £77 in 2016/17.

This will be combined with the historical commitment funding, that will be maintained subject to a justification exercise. Our current historical commitments are £3.213m for prudential borrowing and historical added years pension costs of teachers.

From this ESG we currently provide schools improvement and admissions services as well as support to the schools forum and provision of internal audit services to schools.

Until we are informed of the per pupil rate that we will be funded upon, it is not possible to quantify whether the costs of these services will be fully funded, however it is anticipated that savings of some level will be required.

6.5 **Cost of Academisation**

When schools convert to academies there is a cost to the local authority. The average cost of academisation to the LA in 2015/16 was £11,000 per

conversion. Based on this current average cost and the number of schools the cost of academisation will be in the region of £730k.

(Approved by: Lisa Taylor, Assistant Director of Finance and Deputy S151 Officer)

6. COMMENTS OF THE COUNCIL SOLICITOR AND MONITORING OFFICER

6.1 There are no legal implications arising from this report.

(Approved by: J Harris Baker, head of social care and education law on behalf of the Acting Council Solicitor and Acting Monitoring Officer.)

7. HUMAN RESOURCES IMPACT

7.1 There are no Human Resources considerations arising from this report.

(Approved by: Deborah Calliste on behalf of the Director of Human Resources)

8. EQUALITIES IMPACT

8.1 As policy becomes clearer any necessary equalities analysis will be undertaken.

9. ENVIRONMENTAL IMPACT

9.1 There are no direct implications contained in this report.

10. CRIME AND DISORDER REDUCTION IMPACT

10.1 There are no direct implications contained in this report.

11. REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

11.1 National policy is still being formulated around the forthcoming Education for All Bill and the National Funding Formula. It is recommended that Cabinet continues to lobby central government during this period in order to ensure the Council is able to continue acting in the best interests of the children and young people in Croydon and that both our schools and the Council have sufficient funding to do so.

12. OPTIONS CONSIDERED AND REJECTED

12.1 Not relevant until final details are available from central government.

CONTACT OFFICER: David Butler, Head of School Standards, Commissioning and

Learning Access, 0208 760 5636

BACKGROUND PAPERS - LOCAL GOVERNMENT ACT 1972

None

Appendices attached:

Appendix 1: Letter from the Leader of the Council and Councillor Alisa Flemming to the Secretary of State dated 7 April 2016

Leader's Office
Town Hall, Katharine Street
Croydon, CR0 1NX

Email: leadersoffice@croydon.gov.uk
Tel: 02087605770

Date: 07 April 2016

Rt. Hon Nicky Morgan MP
Secretary of State for Education
Department for Education
Sanctuary Buildings
20 Great Smith Street
London SW1P 3BT

Dear Secretary of State

Proposals about academisation in the white paper 'Educational Excellence Everywhere'

We write to provide comments on the recently published white paper about education.

Our experience in Croydon – both under the previous local Conservative administration and the current Labour administration – has been one of a significant improvement in our schools over the past few years. Academisation of our secondary schools has helped to significantly improve standards; and our primary schools have improved from 64% being judged good or outstanding by OFSTED in 2012 to just under 90% today, which is above the national average. This has been achieved in part through an effective school improvement strategy, in part through local federations of community schools, and in part through targeted academisation (44% of our primary schools are academies), working closely with locally developed academy chains (which have a strong commitment to Croydon) and a few national chains. This pragmatic approach, supported by government policy, has hitherto paid dividends for the people of Croydon. All of Croydon's community special schools are already judged good or outstanding. Additionally, in an innovative partnership with Croydon Head Teachers Association, the Council and schools have successfully established a jointly owned company, Octavo, which is able to be highly responsive to schools in delivering a range of traded services, including school improvement, providing flexible and agile support to schools as drivers of their own improvement.



However, the proposals in the new white paper for wholesale, forced academisation, take government policy to new extremes, and is likely to generate a number of negative consequences:

1. Diversion of attention from standards

The forcing of schools to go through the process of academisation will take away their focus on quality and standards, and force them to spend considerable amounts of time on changing the legal basis upon which they work. This seems particularly inappropriate in a situation where, as referred to above, a high proportion of schools are already judged by OFSTED to be good or outstanding. Furthermore, to force this change on the back of a lack of an evidence base which shows academisation to be the critical factor in securing outstanding outcomes, seems foolhardy.

2. Massive costs not focussed on improvement challenges

The proposal for school land to transfer from local authorities to the Secretary of State, and then in turn for these assets to be leased to academies, creates a double-whammy of legal costs. In Croydon, this would mean transferring 49 primary, 6 secondary (currently diocesan) and 6 special schools, (our primary schools are on average 1.7 ha in size): total transfer costs nationally are currently being expected to be in the order of £1.3 billion. In a context where such costs are not warranted for school improvement reasons (see above), this would be a massive waste of public funds, particularly so given the massive savings on public services that government is already imposing: due to central government savings, Croydon Council has also lost £100 million from its budget over the past four years, and, based on government forecasts, Croydon predicts a further loss to its budget of £56million over the next three years. Whilst the Council is managing as much of this shift through as much transformation and efficiency-generation as possible, such a level of savings cannot be achieved without a significant impact on local services – including early help and youth services for children and young people.

3. Lack of local accountability and limitations of challenge through national oversight

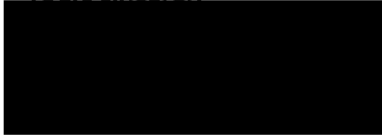
The positive impact of passionate commitment to improving a local area – in the form of both democratic accountability and parent governors – will be lost through the white paper proposals. The nationalisation of accountability, through the slim structure of Regional Schools Commissioners, and the Department for Education, will be insufficient to provide rigorous challenge to schools: we are already seeing the consequences of this in recent cases of financial mismanagement in academy chains.

For the above reasons, we urge you to reconsider the proposal for forced academisation of all schools.



Should the government persist and legislate for these proposals, Croydon Council will put the best interests of the children and young people of Croydon first and try to make the policy work as well as possible. In these circumstances, we seek your assurances that central government will cover the full costs to Croydon Council of transferring community school assets to the Secretary of State.

Yours sincerely



Cllr Tony Newman
Leader of the Council



Cllr Alisa Flemming
Lead member for children



For General Release

REPORT TO:	CABINET 11 July 2016
AGENDA ITEM:	12
SUBJECT:	Education Estates – School Places
LEAD OFFICER:	Paul Greenhalgh, Executive Director, People Department Jane Doyle, Director of
CABINET MEMBER:	Councillor Alisa Flemming, Cabinet Member for Children, Young People and Learning
WARDS:	All
CORPORATE PRIORITY/POLICY CONTEXT/AMBITIOUS FOR CROYDON: The recommendations in this report contribute to achieving priority 3 of the independence strategy to provide people with the best opportunity to maximise their life chances and have a good quality of life through the provision of high quality universal services, including an excellent learning offer.	
FINANCIAL IMPACT The overall cost of the Schools Places Programme is estimated to be £142m over the period 2016/17 to 2018/19 and was agreed as part of the budget setting process in February 2016. Further details are in the finance section of this report.	
KEY DECISION: Not a key decision	

The Leader of the Council has delegated to the Cabinet the power to make the decisions set out in the recommendations below.

1. RECOMMENDATIONS

The Cabinet is recommended to:

School Place Planning

1.1 Agree the Pupil Place Supply Strategy as detailed in Table 1 for the academic years 2016/17 to 2018/19, which will ensure the sufficiency of primary, secondary and special school places over the next 3 years.

1.2 Delegate to the Executive Director, Place Department in consultation with the Cabinet Member for Children, Young People and Learning and the Cabinet Member for Finance and Treasury, authority to approve any subsequent procurement strategy required to deliver the ambitions set out in this report

School Organisation

1.3 Agree that officers can publish a statutory notice setting out details of the Saffron Valley Federation amalgamation proposal.

1.4 Agree that officers can undertake statutory consultation with stakeholders on the amalgamation of the Saffron Valley Federation comprising the Coningsby Pupil Referral Unit (PRU), the Phil Edwards PRU, Moving On and Cotelands PRUs. It is proposed that the consultation will take place between September and October 2016.

1.5 Following consideration of the consultation, to agree that the Executive Director, People Department seeks authorisation from the Leader of the Council, to make the final decision whether or not to amalgamate Saffron Valley, in consultation with the Lead Member, within 2 months of the end of the consultation period.

1.6 In the event the decision of the Executive Director is to agree amalgamation, that officers be authorised to implement the amalgamation proposal as specified in the statutory notice.

Schools Maintenance

1.7 Approve the proposed two year Schools' Maintenance Plan for 2017/18 and 2018/19, attached in Appendix 1.

1.8 Agree that this Plan will be reviewed yearly.

2. EXECUTIVE SUMMARY

School Place Planning

- 2.1 Croydon Council has a statutory duty to ensure every child has access to a school place.
- 2.2 On 18 January 2016, the Council's Cabinet (Min A7/16) approved the Pupil Place Supply Strategy for the 2016/17 to 2018/19 academic years, along with the necessary funding required for the delivery of these places. The Strategy includes proposals for temporary and permanent expansion of existing schools, and the establishment of new schools via the free schools route.
- 2.3 This report provides reflection on the high number of additional school places that have been provided in the borough in the last two years (September 2014 and September 2015); and an update on the proposed revised Supply Strategy is set out in Tables 1 and 2.

School Organisation

- 2.4 There are currently four Pupil Referral Units (PRUs) operating in Croydon under a soft federation called Saffron Valley Federation. They have recently appointed a single Head teacher to lead across the sites, however they remain separate institutions. In seeking to deliver a quality bespoke curriculum across the federation which realises the best value for money, it is proposed that the four PRUs amalgamate in to one PRU operating across five sites. This amalgamation would not change the location or number of pupils, nor require any building work. However, it would allow economies of scale regarding financial matters and realise the benefits of tighter governance across the PRUs, with one management committee providing the strategic leadership across the sites. This report seeks permission to consult on the amalgamation of Saffron Valley. Following consultation the responses will be analysed and used to form a recommendation whether or not to amalgamate the school. It is proposed that the final decision is delegated to the Executive Director, People, in consultation with the Lead Member.

Schools' Maintenance Plan

- 2.5 Local authorities are responsible for larger condition and maintenance works in maintained schools. This report concerns works at maintained schools other than Voluntary Aided (VA) Schools (ie most church schools) which are provided for through a separate fund, the Locally Coordinated Voluntary Aided Programme (LCVAP). This is administered in consultation with the diocesan boards of education.
- 2.6 The School's Maintenance plan has been developed using information from condition surveys commissioned by the Council. These surveys are extremely comprehensive and identify costed items across each school rated from A (good condition) to D (poor condition) as well as assessing the urgency of each (on a scale of 1 to 4, with 1 being the most urgent).
- 2.7 The proposed Maintenance Plan is subject to receipt of annual funding provided by the Education Funding Agency (EFA) to our Capital Programme

and the status of the school. Academies bid directly to the EFA for maintenance funding so, like voluntary aided schools, are not funded by this plan.

2.8 The two year plan is set out at Appendix 1 in this paper.

3. DETAIL

SCHOOL PLACE PLANNING

3.1 In Croydon, we continue to oversee and deliver an impressive Capital Programme which is delivering more additional new school places than anywhere else in London.

3.2 The first section of this report begins with a reflection of the number of primary, secondary and Special Educational Needs (SEN) places that have been delivered in the last two years. The section concludes with an update of the proposed revised three year supply strategy which sets out our ambitious plans for ensuring every child will continue to have access to a high quality school place.

3.3 The London Council's report 'Do the Maths' sets out the crisis that London faces regarding the exceptional need for additional school places across London. The report sets out that London's primary pupil population is projected to increase by 73,000 between this academic year (2015/16) and 2019/20. This will mean that between 2010 and 2020, London's primary pupil population will have increased by 188,000 pupils.

3.4 In September 2014 and September 2015 alone, the first cohorts of children were offered new places in schools as part of schemes that will go on to provide a total of additional 5006 school places. The complete list of new additional classes which opened in September 2014 and September 2015 is set out in Appendix 2.

3.5 We have worked to ensure excellent new places have been available for every child on time at the beginning of each September, working with each school to provide a range of interim solutions, if necessary, where permanent solutions demanded longer build times.

3.6 It is important to reflect on the magnitude of this achievement. First and foremost the effectiveness of this programme has meant thousands of young people have not only been able to attend a local school but they have had access to brand new educational facilities.

3.7 We are proud of the achievements so far but remain uncomplacent about the challenge we are still facing as the birth rate continues to rise and as we see our large primary school cohort's transition to secondary school. In particular, the cohort of pupils with complex Special Educational Needs (SEN) continues to increase at a higher rate than the overall pupil population.

3.8 As set out in the Education Estates report agreed by Cabinet in January 2016, we face a further significant challenge to fund these places. Any new additional

school places required in the future will be delivered through the free school programme. (Free schools are funded directly from central government.)

- 3.9 It is proposed that Section 106 and Community Infrastructure Levy (CIL) contributions received from developers will be used to provide targeted additional class rooms which will allow us to plan more effectively for unforeseen increases in 'in year' demand. More information about this set out later in this report.

4. Projecting demand for School Places

- 4.1 The underlying key to the success of the Supply Strategy and therefore our Capital programme has been the accuracy of our pupil projections in Croydon. Ensuring that we have a firm grip on the numbers of young people that we are expecting to need school places in the future has informed a clear and regularly reviewed Supply Strategy which has continued to deliver sufficient school places across the borough.
- 4.2 Every year the Council projects the number of pupils that will need a school place in the borough over the coming years (pupil demand). We use a projection methodology which takes into consideration factors such as birth rates and local housing developments. Then throughout the year, the demand for additional school places is reviewed as soon as new local information and data becomes available, for example, school census, and in-year admissions information. This intelligence then informs the following July's projections which impacts on the number of places delivered in future years.
- 4.3 We submit our pupil projections to the Department for Education late July each year. These projections are then verified and finalised, usually by the end of the calendar year. Once finalised, the projections are used to inform the Basic Need Funding we receive from the Education Funding Agency. We will publish these numbers in a further Education Estates report in 2017.
- 4.4 Each year we strive to improve the methodology and therefore the accuracy of our pupil projections. Under projecting would result in a deficit of places and therefore a failure to meet statutory duty, denying our residents a place at a local school. However, over projecting the number of places required also has serious consequences. A significant proportion of funding schools receive is directly related to the number of pupils attending the school. Vacancies in schools mean that schools will not receive the maximum revenue possible. Therefore there is a very careful balance required to ensure that we retain some vacancies for those who move to Croydon, without creating an excess of places which could seriously challenge the viability of individual schools. This issue is likely to become even more pronounced with the proposed move to a national funding formula for schools.
- 4.5 For a number of years we have used 'in house' projection calculations to forecast pupil numbers in Croydon and we have used the Greater London Authority (GLA) School Roll Projection Service to support the verification of the projections. The projections produced by the GLA have aligned more tightly to the actual numbers of pupils who went on to attend Croydon schools in the relevant year. Therefore this year, we will use the GLA projections as our

dominant projection tool, supported by our underlying methodology. This approach is in line with most other London Boroughs.

Pupil Place Planning

- 4.6 To ensure that we have the supply of school places to meet the demand for, we plan across 6 planning areas of the borough – Central, East, North West, South, South East, and South West - for primary places; and 2 planning areas – North and South - for secondary places. When we calculate our pupil projections (as set out above) we set out the number of additional places we will need in each of the defined pupil planning areas. Maps setting out the boundaries to each planning area and wards are set out in Appendices 3a & b.
- 4.7 To plan for demand for specialist places for children with complex Special Educational Needs (SEN), the Local Authority has a data base of all existing placements that is updated annually to project future place requirements by category of need. This is cross-referenced with trend data held by the Local Authority on types of SEN for pupils with Education, Health and Care (EHC) plans and to similar data submitted by schools to the Department for Education (DfE) on pupils with SEN supported through the graduated response (formerly School Action and School Action Plus).
- 4.8 The total number of additional school places that will be provided across the borough in the next three years is set out below. This is the number of new places we will need compared to the number of places we currently have in existing school and academies in the borough. Our plans to deliver these places are set out in our supply strategy at Tables 1 & 2. 5.

Meeting demand for school places

- 4.9 There are broadly three different ways to deliver new school places:
- Fixed term expansions (one or two new classes) for one or two academic years only;
 - Permanent expansions (permanent increase in the size of the school in every year group);
 - New schools (current legislation sets out that all new schools are presumed to be free schools.
- 4.10 Further information about each of these delivery options - process for creating new school places - is given in Appendix 4.

4.11 Additional places that will be provided for the Primary phase:

- 2016/17 academic year, an additional 10FE (300 reception)
- 2017/18 academic year, an additional 6FE (180 reception places)

- 2018/19 academic year, an additional 7FE (210 reception places)

Planning area	Academic Year 2016/17	Academic Year 2017/18	Academic Year 2018/19
---------------	-----------------------	-----------------------	-----------------------

4.12 Additional places that will be provided for the Secondary phase:

- 2016/17 academic year, an additional 1FE (30 Year 7 places)
- 2017/18 academic year, an additional 2.3 FE (70 Year 7 places)
- 2018/19 academic year, an additional 12FE (360 Year 7 places)

4.13 Additional specialist places that will be provided for pupils with complex SEN

- 2016/17 academic year, an additional 24 places in nurture provision in primary schools and a further 6 personalised learning places in the post-16 'Access to Success' provision
- 2017/18 academic year, an additional 56 places for primary aged pupils with Moderate Learning Difficulties (MLD), 14 places for secondary aged pupils with MLD, 24 places in nurture provision in primary schools and an additional 50 places for pupils aged 11-19 with Autism Spectrum Disorder (ASD) and Social Emotional and Mental Health (SEMH) needs.
- 2018/19 academic year, an additional 56 places for primary aged pupils with Severe Learning Difficulties (SLD).

Proposed 3 year primary school supply strategy– Table 1

	<i>The free schools in this year of delivery have been agreed by the Department of Education (DfE). The permanent expansions have been agreed by Cabinet in previous reports. Three bulge classes set out in the previous report have not been required¹.</i>	<i>The free school in this year of delivery has been agreed by DfE.</i>	<i>One free school set out in this year of delivery is subject to free school applications being submitted to and agreed by the DfE (North West) and the other is subject to a site being found.</i>
North West		In Year bulge class - TBC ²	New School <ul style="list-style-type: none"> • 3 FE Free School – to be confirmed
Central	New school: <ul style="list-style-type: none"> • 2FE Krishna Avanti Free School; 1FE - 30 reception places available for 2016/17 academic year. • 3FE Harris Primary Academy Purley Way 	<ul style="list-style-type: none"> • Krishna Avanti Free School – 1FE - 30 additional reception places available – total of 60 reception places In Year bulge class - TBC	
East	Permanent expansion: <ul style="list-style-type: none"> • 1FE Heavers Farm • 1FE St Johns 	In Year bulge class - TBC	
South	Permanent expansion: <ul style="list-style-type: none"> • 1FE Christ Church Primary Bulge: <ul style="list-style-type: none"> • 1 FE Gresham 	Bulge: <ul style="list-style-type: none"> • 3 FE TBC³ In Year bulge class - TBC	New School: <ul style="list-style-type: none"> • ARK 3FE Free school site to be identified by EFA
South East		In Year bulge class - TBC	
South West	Bulge: <ul style="list-style-type: none"> • 1FE Woodcote Primary Permanent expansion: <ul style="list-style-type: none"> • 1FE Chipstead Valley 	Permanent expansion: <ul style="list-style-type: none"> • 1FE Woodcote • 1FE Oasis Academy Byron, subject to 	Permanent expansion: <ul style="list-style-type: none"> • 1FE Smitham

¹This Strategy updates the information published in the Education Estates Paper which was agreed by Cabinet in January this year. The previous Strategy included provision for bulge classes for 2016/17 in the South West and South East. Upon a final review of the numbers of Reception applications for September 2016, these classes were not delivered. This is because the extra capacity was not required to ensure sufficient places in these areas, including in year places for pupils who move to the area

²It is essential that we have sufficient school places for every child in the borough but is also important that we do not provide an excess of places as this is detrimental to the schools with significant available places. This is because the majority of school funding is based on the number of pupils on roll at the school. To help to provide flexibility of delivery of school places in the future, we propose to provide at least one additional primary classroom in each planning area to be used to offer places in the event that there is an unexpected increase in pupil numbers in any given area. It is proposed that this will be funded through section 106 contributions. High level viability studies will be undertaken to identify where best to deliver the additional places, ensuring that the places are in good or outstanding schools, in areas of high demand and that the proposed schemes provide value for money.

		Academy/Secretary of State agreement. In Year bulge class - TBC	
Additional SEN provision	Nurture provision in 2 primary schools for pupils with social, emotional and mental health needs – 24 places	Permanent expansion: St Nicholas Special School – SEN 56 places Nurture provision in 2 primary schools for pupils with social, emotional and mental health needs – 24 places TBC Additional Primary ELP provision for boys and girls with ASD - TBC	Proposed permanent expansion: Red Gates Special School – SEN 56 places ⁴ (This is subject to statutory consultation) Free School: 240 places for boys and girls with ASD (age 5-19)TBC

⁴ Further work is being undertaken to assess the feasibility of permanently expanding Red Gates Primary and a future Education Estates report will provide the update to this work.

Proposed 3 year secondary school supply strategy – Table 2

Planning area	2016/17	2017/18	2018/19 ⁵
North	1FE Norbury Manor Business Enterprise College (Academy)		6FE Ark Secondary free school at Morland Road ⁶ .
		2.3FE expansion of Archbishop Lanfranc through PSBP2 programme	
South			6FE Wallington County Free School (Site TBC)
Additional SEN Provision		<p>Beckmead Family of schools –continuing ASD expansion and extension to KS5 vocational offer (50 places) – new building to open Nov 2016</p> <p>Enhanced Learning Provision for MLD – 14 places – TBC</p> <p>Expansion of provision at Beckmead Family of schools to create 6-12 places for girls - TBC</p>	<p>Proposal to support an independent special school run by a charitable foundation located in the borough to expand to offer post-19 provision for students with profound and multiple learning difficulties (PMLD); no capital investment, LA would commission places. TBC</p>

Managing the continuing demand for SEN places

⁵ Beyond the 3 year strategy, there is a need for a further secondary school providing an additional 180 places per year group to open in the borough in 2020. The Council is working with the BRIT school, the Crescent Primary school and other partners who intend to submit a free school proposal for a secondary free school in Thornton Heath. It is expected that the submission will be made in September 2016.

⁶ The secondary supply strategy has been updated to show that the 6FE Ark Free Secondary School to be located at Morland Road, in the North of the Borough will be delivered by the Education Funding Agency in September 2018, instead of 2017. This ensures that we are not delivering excess secondary places in 2017 and reflects the School's aspiration is for the pupils to start in a permanent new building on the new site (rather than temporary accommodation).

- 5.3 SEN demand data shows an increasing need for specialist places for pupils with ASD and also provision for girls with Social Emotional and Mental Health (SEMH) or ASD.
- 5.4 Current specialist provision for ASD includes 3 enhanced learning provisions in primary schools (58 places) and 3 in secondary schools (58 places). Pupils with ASD with behaviors that challenge and limit learning are educated at Chaffinch Brook, an ASD specialist provision (56 places) within the Beckmead Family of schools. Since ASD is often associated with learning difficulties, pupils are also often placed in an MLD or SLD school adding to the pressure on places at these schools while a significant number attend specialist ASD schools in the independent sector outside the borough representing 30% of all independent sector placements. It is, therefore, proposed that we seek providers to deliver a specialist ASD specific free school for pupils aged 5-19 as well as developing a further enhanced learning provision in a mainstream primary school.
- 5.5 The number of girls with SEMH or ASD requiring specialist provision is small (currently 76 of statutory school age placed across maintained special schools and the independent sector). Girls with ASD and learning difficulties are currently placed across maintained MLD and SLD special schools, There is, however, an emerging trend of ASD diagnosis in girls in teenage years, often exhibiting high risk behaviours. The needs of this group could be met within the ASD free school proposal.
- 5.6 Teenaged girls with SEMH, however, are hard to, place; this group also exhibits risky and self-destructive behaviours and is vulnerable in relation to Child Sexual Exploitation (CSE). At the recent Ofsted inspection of Children's Social Care 25% of the children identified as at risk of CSE, had an Education, Health and Care plan. It is proposed that a small provision for 6-12 teenaged girls is developed within the Beckmead Family of Schools; this would build on their nationally recognised success in meeting the needs of boys with SEMH.

Funding the supply strategy

6. In seeking high quality, value for money places, in areas of high demand, the Council has funded the delivery of the supply strategy through:
- Basic Needs Funding;
 - Targeted Basic Needs funding for specific projects;
 - CIL/Section 106;
 - The Priority School Building Programme;
 - Council Borrowing;
 - Free Schools
- 6.1 Please refer to Appendix 5 which sets out the budget for delivering this supply strategy from 2016/17 to 2018/19. Further funding will be allocated each year from S106 and CIL which will reduce the Council's borrowing requirement.
- 6.2 As set out in the previous Education Estates report, the Council will meet its statutory duty to provide sufficient school places by maximising funding provided by central government, through the free schools programme. Where

projected pupil numbers set out that new schools are required, the Council will seek to work to attract the best providers to come to Croydon to provide residents with high quality school places.

SCHOOL ORGANISATION

- 6.3 The Saffron Valley Federation is located across five sites in Croydon. It comprises the Coningsby PRU, the Phil Edwards PRU, Moving On PRU Cotelands PRU, which includes Springboard Tuition Service. The Saffron Valley Federation pupil referral units are responsible for educating young people of secondary school age, who are unable to attend a mainstream school because they have been excluded from school, are at significant risk of exclusion from school or for other reasons they are not able to attend a mainstream school.
- 6.4 The PRUs have recently been reconfigured to provide a targeted focus on meeting the needs of specific cohorts of learners. From September 2016, The Coningsby Centre will provide education for young people in Years 7 to 9; The Phil Edwards Centre and Moving On will provide education for young people in Years 10 and 11; and Cotelands will provide education for emotionally school based refusers and school age mothers in Years 10 and 11. These changes are not dependent on amalgamation however the proposed amalgamation will support these changes.
- 6.5 The schools work currently closely together but to ensure maximum efficiency in areas including school governance, finance, teacher expertise and training, it is proposed that the schools should be amalgamated,
- 6.6 The proposed amalgamation would not change the numbers on roll or the location of the students and therefore no additional building work would be required.
- 6.7 In order for amalgamation to take place, it is necessary first to seek the views of all statutory stakeholders, including parents, governors and teaching staff.
- 6.8 Early engagement will be undertaken in July 2016 with immediate stakeholders including parents, staff and governors. Following agreement by Cabinet that statutory consultation can take place, it is proposed that the statutory representation period (formal consultation) should take place in September 2016.
- 6.9 The responses to the consultation will be analysed and used to inform a recommendation whether or not to amalgamate the PRUs. It is proposed that the decision whether or not to amalgamate the PRUs should be delegated to the Executive Director, People, in consultation with the Lead Member.

7 SCHOOLS MAINTENANCE

- 7.1 Local authorities are responsible for larger condition and maintenance works in maintained schools.

- 7.2 This programme is formed based on information provided in the condition surveys commissioned the Council through Faithful and Gould. These surveys are extremely comprehensive and identify costed items across each school rated from A (good condition) to D (poor condition) as well as assessing the urgency of each (on a scale of 1 to 4, with 1 being the most urgent). The council, under the current scheme for financing schools, is responsible for items valued at over £10,000 for primary schools and £25,000 for secondary schools.
- 7.3 At the time of writing, based on these surveys as uploaded to the council's Asset Management database, (TF Cloud) there are D items over these limits to a total value of £4,367m awaiting attention of which £2,65m are in the most urgent category. Accordingly, given a limited budget, those works which actually reach the programme will inevitably be those which are likely to lead to school closure. They include items such as heating, roofing and windows replacement.

Proposed 2 year maintenance plan

- 7.4 Using TF Cloud, the works have been programmed according to the following criteria:
- D1 need identified through condition survey or further inspection
 - Urgent health and safety issues
 - Items which could lead to school closure (predominantly roofing and heating works)
- 7.5 The resulting 2017/18 and 2018/19 programmes are set out in Appendix 1. The programme is set at the level of the base budget of £2.5 per year from 2017 based on the valuation of identified works.
- 7.6 In setting this programme we have allocated a proportion of the budget (£200,000) to emergency and reactive works. These are particularly common in the winter months and in previous years other planned works have had to be stopped in order to fund unplanned events; in most cases these were issues that could not have been predicted by the condition surveys.
- 7.7 Plans will be put in place to use any of the provision for emergency and reactive works that may be unspent in the final months of the financial year on smaller projects from the programme.
- 7.8 As in previous years, the programmes set out in this report are based on estimated costs and not tendered prices. The Executive Director, People, should retain the delegated authority to vary the programme to reflect actual prices and new urgent issues that may arise, including authorising spend against the allowance for emergency and reactive works.

PROCUREMENT

- 7.9 Once the outline programme has been agreed, the relevant schools concerned will be engaged in detail on the works in advance of final procurement. The procurement strategy will be set for each scheme ensuring best value for money.

8 FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

8.1 Capital consequences of report recommendations

	Medium Term Financial Strategy – 2 year forecast			Total
	2016/17 £'000	2017/18 £'000	2018/19 £'000	2016-19 £'000
Budgeted Programme				
Primary Fixed Term Expansions	2,491	25	0	2,516
Primary Permanent Expansions	74,060	28,064	1,732	103,856
Secondary places	8,500	139	0	8,639
SEN places	16,444	10,787	200	27,431
Major Maintenance	2,119	2,000	2000	6,119
Total Capital Budget	103,614	39,015	3,932	148,561
Planned Programme - detailed in appendix 5				
Primary Expansions	47,416	42,341	4,500	94,257
Secondary places	6,029	1,459	0	7,488
SEN places	8,483	7,038	5,420	20,941
Schemes already underway	39,567	-13,823	-7,988	19,756
Major Maintenance - Detailed in Appendix 1	2,119	2,000	2000	6,119
Programme Costs	103,614	39,015	3,932	148,561
Balance	0	0	0	0

8.2 The education estates programme and major maintenance programme detailed in the table above is budgeted to be £148m over the 3 year period 2016-19. Some schemes are already underway and are funded from a range of sources, including grants from the DfE for Targeted Basic Needs and Basic Needs as well as funding from Council borrowing.

8.3 The Council has not been granted any Government funding for the delivery of school places beyond its allocation of £32m in 2016/17, and will need to borrow to deliver the required places, resulting in an impact on the council's general fund.

9. Risks

9.1 If the proposed expansions are not approved there is likely to be a shortage of primary school places in the future academic years, resulting in the Council not fulfilling its statutory duty.

10. Future savings/efficiencies

10.1 If additional free school providers are interested in opening schools in Croydon, the cost to the Council from borrowing could be reduced in future years. The Council will also continue to lobby for funding to meet need and if successful

this will further reduce the need to borrow and associated costs.

Approved by: Lisa Taylor – Assistant Director of Finance and Deputy S151 Officer

11. COMMENTS OF THE COUNCIL SOLICITOR AND MONITORING OFFICER

- 11.1 The Council Solicitor comments that there are no additional duties or legal considerations in respect of the provision of school places beyond those detailed in the body of the report
- 11.2 The Council Solicitor notes that the statutory guidance “Opening and Closing Maintained Schools” and “Making prescribed alterations to maintained schools” April 2016 details that there are two methods to amalgamate two or more schools:
1. The LA or Governing Body (depending on school category) can publish a proposal to close two, or more, schools and the LA or a proposer other than the LA depending on category, can publish a proposal to open a new school or a presumption free school. This results in a new school number being issued.
 2. The LA/or governing body can publish a proposal to close one school and enlarge/change the age range/transfer site (following the statutory process as/when necessary) of an existing school, to accommodate the displaced pupils. The remaining school would retain its original school number.
- 11.3 The Guidance sets out the statutory process which should be undertaken by the local authority and the publication and notification requirements.
- 11.4 The Education (Short Stay Schools)(Closure)(England) Regulations 2010, Section 7 provides that local authorities must obtain the consent of the Secretary of State before closing a pupil referral unit:
- Which requires special measures or significant improvement
 - Where the Secretary of State has established an IEB; or
 - Where Ofsted has notified the pupil referral unit that an inspection is to take place.

(Approved by J Harris Baker, Head of Social Care and Education Law **on behalf of the Council Solicitor & Monitoring Officer**)

12. HUMAN RESOURCES IMPACT

- 12.1 This report makes recommendations that may have an impact on the staffing structure for the relevant schools, which would be managed in accordance with the school’s policies and procedures. There are no human resources implications arising from this report for Council staff.

(Approved by: **Deborah Calliste, HR Business Partner on behalf of, Heather Daley, Director of Human Resources**)

13. EQUALITIES IMPACT

- 13.1 The Education Estates – School Places report that was approved by Cabinet in January 2016 (Min A7/16) has an overarching Equality Analysis which covers the proposals in this report, barring the Saffron Valley Federation amalgamation

proposal. An Equality Impact Assessment will be undertaken as part of the statutory consultation process, if approved by cabinet.

Summary of Equality Analysis

- 13.2 The equality analysis indicates that the proposed Education Estates Strategy is likely to have a neutral or positive impact on equality groups that share a “protected characteristic” in terms of disability, race/ethnicity, age, and religion/belief.
- 13.3 The proposed strategy will help the Council meet its statutory duty to provide sufficient school places for protected and non-protected groups. Croydon schools provide diverse educational provision in terms of category, size and educational sponsors. These include special schools, enhanced learning provision at mainstream schools; and Academies /Free Schools. Pupils are allocated a school place based on admissions criteria which aim to promote fair access to schools and are compliant with the Admissions Code.
- 13.4 The proposed strategy is in line with the Council's Equality and Inclusion Policy 2014-16 and will enable the delivery of the following priorities:
- Make Croydon a place of opportunity and fairness by tackling inequality, disadvantage and exclusion.
 - Close gaps in educational attainment by working with local businesses and community groups to enable people of all ages to reach their full potential through access to quality schools and learning.
 - Work in partnership to lift people out of poverty by increasing employment opportunities across the borough ensuring local people have a pathway into employment, education and training.
- 13.5 The proposed strategy is consistent with the Council's general equality duty to have due regard to the need to eliminate unlawful conduct under the Equality Act 2010; to advance equality of opportunity and foster good relations between persons who share a protected characteristic and those who do not.

14. ENVIRONMENTAL IMPACT

14.1 None.

15. CRIME AND DISORDER REDUCTION IMPACT

15.1 None.

16. REASONS FOR RECOMMENDATIONS

16.1 To ensure that the Council fulfil its statutory duty to provide sufficient school places for pupil of statutory age within the Borough.

17. OPTIONS CONSIDERED AND REJECTED

17.1 Temporary (bulge) classes have been considered and where agreement has been reached with the schools Governing Body/Academy Trust, these have

been put in place. However bulge classes are a temporary solution, providing additional places for one year only, and it is predicted that additional school places will be required beyond 2016.

17.2 The use of free schools to provide additional school places has been considered as outlined in the supply strategy at Tables 1 & 2.

CONTACT OFFICER: Jennifer Duxbury, Head of Place Planning and Admissions – 0208 604 7156

BACKGROUND PAPERS - NONE

APPENDICES:

Appendix 1 – Proposed two year School Maintenance Plan

Appendix 2 – New school classes which opened in September 2014 and September 2015

Appendix 3a- Primary Schools by Planning Area

Appendix 3b – Secondary Schools by Planning Area

Appendix 4 – Creating new school places

Appendix 5 – Budget for 2016/17 to 2019/20

Appendix 1

Proposed two year School Maintenance Plan - Major Maintenance Programme and Budget

The information set out in this table is subject to receipt of funding from the Education Funding Agency and subject to the status of the school. Academies bid directly to the EFA for maintenance funding.

School	Priority Year 2017/18	Priority Year 2018/19	Totals	Description of Works
Beaumont Primary Total	£0.00	£50,000.00	£50,000.00	Replace felt roof to Block A/A1
Beckmead Special School Total	£525,000.00	£0.00	£525,000.00	Replace all flush and surface mounted plastic electrical accessories (sockets, spurs, lighting switches etc) within children areas with metal clad type accessories including surface boxes.
Bensham Manor School Total	£0.00	£100,000.00	£100,000.00	Replace all loose switchgear and HRC fuse boards with new MCCB panel boards complete with associated sub metering and surge suppression, Allowing for all terminations of existing sub main cabling.
Beulah Junior School Total	£50,000.00	£0.00	£50,000.00	Replace existing service head associated metering and loose L.V. switchgear including for cabling upgrade, excavations and reinstatements for cabling- Intake Cupboard within Caretakers Room.
Courtwood Primary Total	£40,000.00	£35,000.00	£75,000.00	Replace existing electrical intake service head and associated metering with new. Replace existing loose HRC fused switchgear with new MCCB panel board complete with sub metering and surge suppression.
Cypress Infants Total	£57,000.00	£320,000.00	£377,000.00	Consider replacement of LTHW pipework distribution and heat emitters. Upgrade fire alarm in 2017/18
Cypress Juniors Total	£65,000.00	£43,000.00	£108,000.00	Survey/Investigation of Main School Boilers and replacement of primary and secondary pump-sets. Works to the water ingress in 2017/18
Downsview Primary Total	£0.00	£75,000.00	£75,000.00	Further investigation required and replacement of failing retaining wall and adjoining tarmac walkway. Allow replacement of existing balustrades.
Forestdale Primary Total	£10,000.00	£57,000.00	£67,000.00	Replacement of CWS and HWS pipework.
Gilbert Scott (Special) Total	£0.00	£62,000.00	£62,000.00	Internal corridor and roof works
Greenvale Primary Total	£0.00	£30,000.00	£30,000.00	Replace switch panel with new MCCB wall mounted panel board complete with associated sub distribution metering. Provide all necessary existing cable junctions/extension and terminations, install schematic wiring diagram, change of conductor colour notices, circuit charts, resuscitation notices, rubber mat within switch room
Gresham Primary Total	£13,000.00	£40,000.00	£53,000.00	Replace all loose switchgear and HRC fuse boards with a new MCCB panel board complete with associated metering and surge suppression, Allowing for all terminations of existing sub main cabling.
Howard Primary School Total	£200,000.00	£50,000.00	£250,000.00	Heating and Pipe works

Kenley Primary School Total	£50,000.00	£170,000.00	£220,000.00	Rewire the complete school back to the recommended new distribution boards including for all accessories/outlets, cable containment and all terminations.
Remedial Capital defect works Total	£70,000.00	£66,030.00	£136,030.00	Works associated with remedial capital programme - Health and Safety rectification.
Keston Primary Total	£50,000.00	£15,000.00	£65,000.00	Testing and additional insulation to pipework- HWS.
Kingsley Primary Total	£200,000.00	£0.00	£0.00	Testing and additional insulation to pipework- HWS.
Monks Orchard Primary Total	£3,000.00	£105,000.00	£108,000.00	Replace existing with new metal clad MCB/RCBO split load/split metered power and lighting lockable distribution boards.
Norbury Manor Primary Total	£0.00	£20,000.00	£20,000.00	Replace existing electrical intake service head with new including for associated metering and main switch
Orchard Way Primary Total	£43,000.00	£100,000.00	£143,000.00	Replace all loose switchgear and HRC fuse boards with a new MCCB panel board complete with associated sub metering and surge suppression, Allowing for all terminations of existing sub main cabling.
Park Hill Juniors Total	£0.00	£55,000.00	£55,000.00	Replace all loose switchgear and HRC fuse switches with a new MCCB panel board complete with associated metering and surge suppression, Allowing for all terminations of existing sub main cabling.
Purley Oaks Primary Total	£1,000.00	£40,000.00	£41,000.00	Survey and Testing, repairs and additional insulation to HWS.
Ridgeway Primary Total	£3,000.00	£0.00	£3,000.00	Survey and Testing, repairs and additional insulation to HWS.
Selsdon Primary Total	£322,500.00	£0.00	£322,500.00	Roof replacement
Smitham Primary Total	£25,000.00	£0.00	£25,000.00	Kitchen extract Canopy requires updating together with gas solenoid valve.
St. Giles (Special) Total	£0.00	£60,000.00	£60,000.00	Replace all HRC fuse boards enclosures throughout the school with proprietary final circuit lockable junction boxes complete with DIN rail cable connections for all cable joints. locally Rewire if required
St. Nicholas (Special) Total	£74,000.00	£0.00	£74,000.00	Replace existing electrical service head associated C.T. meter and cubical panel with new comprising of service head, C.T. chamber and meter, MCCB panel board complete with sub metering for sub mains distribution and surge suppression. Replace existing HRC fuse boards with new metal clad MCB/RCBO split load/split metered power and lighting lockable distribution boards.
St. Peter's Primary Total	£0.00	£25,000.00	£25,000.00	Provide new small power installation including for rewiring and electrical accessories within Kitchen and Hall areas
The Hayes Primary Total	£3,000.00	£54,000.00	£57,000.00	Replace existing with new metal clad MCB/RCBO split load/split metered power and lighting lockable distribution boards.
Winterbourne Girls Junior School Total	£3,000.00	£70,000.00	£73,000.00	Survey of LTHW pipework distribution.
Winterbourne Infant and Nursery Total	£20,000.00	£50,000.00	£70,000.00	Replace all loose switchgear and HRC fuse boards with a new MCCB panel board complete with associated metering and surge suppression,

				Allowing for all terminations of existing sub main cabling.
Wolsey Infant School Total	£140,000.00	£8,000.00	£148,000.00	Provide a dedicated MCCB panel board and associated sub metering for the infant school. including for all isolations, disconnections, sub main cable modifications and re-terminations
Woodcote Primary Total	£25,000.00	£50,000.00	£25,000.00	Replace existing 40+ (MEM HRC) & 25+ (Crabtree MCB) year old boards with new metal clad MCB/RCBO split load/split metered power and lighting lockable distribution boards.
Woodside Primary School Total	£3,000.00	£50,000.00	£53,000.00	Survey cost and works to the Hot water pipework and distribution
Reactive Maintenance Total	£200,000.00	£200,000.00	£400,000.00	
Grand Total	£2,195,500.00	£2,000,000.00	£4,195,500.00	

Appendix 2 – New school classes which opened in September 2014 and September 2015

2014/15

Primary

- Ark Oval Primary Academy – 1FE bulge class (30 reception places)
- Heavers Farm Primary School – 1FE bulge class (30 reception places)
- Gonville Academy – STEP Academy Trust – 1FE bulge class (30 reception places)
- Rockmount Primary School – 1FE bulge class (30 reception places)
- Winterbourne Infant and Nursery School – 1FE bulge class (30 reception places)
- Christ Church C of E Primary School – 1FE bulge class (30 reception places)
- Chipstead Valley Primary School – 1FE bulge class (30 reception places)
- Margaret Roper Catholic Primary School – 1FE bulge class (30 reception places)
- Harris Primary Academy Haling Park – 2FE new school (60 reception places year on year until it reaches its full capacity of 420 places)
- Paxton Academy Sports and Science – 3FE new school (90 reception places year on year until it reaches its full capacity of 630 places) (Free School)

Secondary

- Harris Invictus Academy Croydon – 6FE new school (180 year 7 places year on year until it reaches its full capacity of 900 places) (Free School)

SEN

- Courtwood Primary School – Enhanced Learning Provision for pupils with Autistic Spectrum Disorder (ASD) / Aspergers – 14 places
- Applegarth Academy (primary) – improved facilities to support the learning of 30 pupils with Speech, Language and Communication needs in the Enhanced Learning Provision
- Priory School – additional 52 places in a new build special school for pupils aged 11-19 with Severe Learning Difficulties (SLD)

2015/16

Primary

- Heavers Farm Primary School – 1FE bulge class (30 reception places)
- Gonville Academy – STEP Academy Trust – 1FE bulge class (30 reception places)
- Christ Church C of E Primary School – 1FE bulge class (30 reception places)
- Chipstead Valley Primary School – 1FE (30 reception places) bulge class

- Ark Oval Primary Academy - 1FE permanent expansion (210 additional places – 30 reception places year on year)
- West Thornton Primary Academy – 2FE permanent expansion (420 additional places – 60 reception places year on year)
- Heathfield Academy- 2FE new school (60 reception places year on year until it reaches its full capacity of 420 places)
- Chestnut Park Primary School – 3FE new school (90 reception places year on year until it reaches its full capacity of 630 places)

Secondary

- Oasis Academy Arena – 6FE new school (180 year 7 places year on year until it reaches its full capacity of 900 places).

SEN

- Oasis Academy Arena – Enhanced Learning Provision for secondary aged pupils with ASD – 14 places
Access to Success – Post-16 learning programme in collaboration with local FE colleges – 6 places on pilot programme

Primary Schools by Planning Area & Ward

- 1 Aerodrome Primary Academy
- 2 Howard Primary School
- 3 The Minster Nursery & Infant School
- 4 The Minster Junior School
- 5 Park Hill Infant School
- 6 Park Hill Junior School
- 7 St Mary's Catholic Infant School
- 8 St Mary's Catholic Junior School
- 9 St Peter's Primary School
- * 10 Heathfield Academy, The STEP Academy Trust
- 11 Harris Primary Academy, Purley Way
- 12 Krishna Avanti Primary School
- 13 Harris Primary Academy, Haling Park

* This is the permanent site but the pupils are currently in temporary accommodation

- 14 Ark Oval Primary Academy
- 15 Harris Primary Academy Benson
- 16 Broadmead Primary Academy
- 17 Cypress Primary School
- 18 Davidson Primary School
- 19 Heavers Farm Primary School
- 20 Monks Orchard Primary and Nursery School
- 21 Oasis Academy Shirley Park
- 21A Oasis Academy Shirley Park Annexe
- 22 Orchard Way Primary School
- 23 Oasis Academy Ryelands School
- 24 The South Norwood Academy

- 25 Forest Academy
- 26 St Chad's Catholic Primary School
- 27 St John's CofE Primary School
- 28 St Mark's CofE Primary School
- 29 St Thomas Becket Catholic Primary School
- 30 The Crescent Primary School
- 31 Whitehorse Manor Infant & Junior School - Pegasus Academy Trust
- 31A Whitehorse Manor Infant & Junior School Annexe - Pegasus Academy Trust
- 32 Woodside Primary School and Children's Centre
- 33 The Robert Fitzroy Academy
- 34 All Saints CofE Primary School
- 35 Beulah Junior School
- 36 Beulah Infant School-Pegasus Academy Trust
- 37 David Livingstone Academy
- 38 Downsview Primary School
- 39 Ecclesbourne Primary School - Pegasus Academy Trust
- 40 Elmwood Infant School
- 41 Elmwood Junior School
- 42 Gorville Academy-The STEP Academy Trust
- 43 Kensington Avenue Primary School
- 44 Kingsley Primary School
- 45 Norbury Manor Primary School
- 46 Rockmount Primary School
- 47 St Cyprian's Greek Orthodox Primary Academy
- 48 St James The Great RC Primary and Nursery School
- 49 St Joseph's RC Infant School
- 50 St Joseph's RC Junior School
- 51 West Thornton Primary Academy
- 51A West Thornton Primary Academy Annexe
- 52 Winterbourne Infant & Nursery School
- 53 Winterbourne Boys Academy
- 54 Winterbourne Junior Girls School
- 55 Paxton Academy Sports & Science
- * 56 Chestnut Park Primary School
- 58 Atwood Primary Academy
- 59 Christ Church C ofE Primary School (Purley)
- 60 Courtwood Primary School
- 61 Forestdale Primary School
- 62 Gilbert Scott Primary School
- 63 Greenvale Primary School
- 64 Gresham Primary School
- 65 Purley Oaks Primary School
- 66 Regina Coeli RC Primary School
- 67 Ridgeway Primary School
- 68 Selsdon Primary School and Nursery
- 69 Applegarth Academy
- 70 Castle Hill Academy
- 71 Fairchildes Primary School
- 72 Good Shepherd Catholic Primary School
- 73 Rowdown Primary School
- 74 Wolsey Infant School
- 75 Wolsey Junior Academy-The STEP Academy Trust
- 76 Beaumont Primary School
- 77 Chipstead Valley Primary School
- 78 Coulsdon CofE Primary School
- 79 Kenley Primary School
- 80 Keston Primary School



- 81 Margaret Roper Catholic Primary School
- 82 Oasis Academy Byron
- 83 Harris Primary Academy Kenley
- 84 Smitham Primary School
- 85 St Aidan's Catholic Primary School
- 86 The Hayes Primary School
- 87 New Valley Primary School
- 88 Woodcote Primary School

CROYDON
www.croydon.gov.uk
Reproduced by permission of Ordnance Survey on behalf of HMRC. © Crown copyright and database right 2016. OS Licence number 100016002

Appendix 3b

Secondary Schools by Planning Area & Ward

- 1 Archbishop Tenison's Cof E High School
- 2 St. Andrew's Cof E High School
- 3 St. Mary's Catholic High School
- 4 Edenham High School
- 5 St. Joseph's College
- 6 Coloma Convent Girls School
- 7 Norbury Manor Business and Enterprise College
- 8 Shirley High School Performing Arts College
- 9 The Archbishop Lanfranc Academy
- 10 Virgo Fidelis Convent Senior School
- 11 Harris Academy South Norwood
- 12 Harris City Academy Crystal Palace
- 13 Oasis Academy Shirley Park
- 14 Harris Invictus Academy Croydon
- 15 Oasis Academy Arena
- 16 Woodcote High School
- 17 Meridian High School
- 18 Riddlesdown Collegiate
- 19 Thomas More Catholic School
- 20 Oasis Academy Coulsdon
- 21 Harris Academy Purley
- 22 The Quest Academy-Coloma Trust



CROYDON
www.croydon.gov.uk

Reproduced by permission of Ordnance Survey on behalf of HMRC. © Crown copyright and database right 2016. OS Licence number 100016007

Appendix 4 –Creating new school places

TYPE OF CHANGE	PROCESS
Fixed Term Expansion	The School Admissions Code allows schools to admit

	<p>above their Published Admission Number (PAN), which does not constitute a permanent change to the PAN. Admissions authorities are therefore able to temporarily increase the number of children they admit in a way that meets parental preference. These are called 'Fixed Term Expansions' 'Bulge Classes' or 'Temporary Expansions'. Where Fixed Term Expansions are commissioned by the Council they will be funded as per the local formula approved by the Schools Forum.</p> <p>Temporary arrangements should be consulted upon as part of the annual admissions arrangement consultation.</p>
<p>Permanent Expansion</p>	<p>If the proposal is to permanently expand a maintained school, then the Council must follow a statutory process if: the proposed enlargement to the premises of the school is permanent (longer than three years) and would increase the capacity of the school by: more than 30 pupils; and 25% or 200 pupils (whichever is the lesser).</p> <p>The statutory process for making significant changes to schools has four stages: Publication of statutory proposal; 4 weeks representation period; Decision ((usually the Council) within 2 months; and Implementation of the proposed expansion.</p> <p>Governing bodies seeking to expand a school do not have to follow a statutory process.</p> <p>If the proposal is to expand an academy, then the academy trust will need to consult stakeholders and seek the Secretary of State for Education approval to expand the Academy and to make an alteration to its funding agreement.</p>
<p>New School</p>	<p>The local authority must first seek proposals to establish an academy or free school, under "The academy/free school presumption".</p> <p>The presumption arrangements require LAs to seek proposals to establish an academy/free school where they have identified the need for a new school in their area.</p> <p>The Local Authority:</p> <ul style="list-style-type: none"> • must notify the Secretary of State of their plans to seek proposals for a new school • should consult on the proposed new school • seek proposals groups or organisations that might be interested in establishing the new school • must provide the Secretary of State with details of all proposers • should assess all proposals received and may, if they wish, recommend their preferred proposal to the SoS, however, The SoS reserves the right to agree a sponsor of her own choice.

- The SoS will only consider entering into a funding agreement with an approved sponsor.

Academies

An “Academy” is the legal term which also covers free schools of all types.

All new academy/free school proposals require the Secretary of State’s approval as it is the Secretary of State who will enter into a funding agreement with the proposer. Academies/Free schools are funded by the government but are not run by the local council.

Free Schools

Educational proposers can apply directly to the DfE to set up a new school

Appendix 5 Proposed Schemes 2016-17 to 2019-20 Capital Delivery

Planning Area		2016/17	2017/18	2018/19	Total
		£	£	£	£
	Table 1 - Proposed Primary Provision				
	Permanent Expansions				
North West	2FE West Thornton Academy	6,605,209	6,693,844	-	13,299,053
North West	3FE Chestnut Park	6,864,440	1,164,797	-	8,029,237
Central	3FE Harris Academy Purley Way	6,159,941	7,033,709	-	13,193,650
Central	2FE Heathfield Academy Aberdeen Road	6,014,381	6,549,964	-	12,564,345
Central	2FE Avanti Free School at Victoria House	-	-	-	-
Central	1FE Ark Oval	6,411,060	1,247,620	-	7,658,680
East	1FE St John's C of E	3,058,532	1,825,762	-	4,884,294
East	1FE Heavers Farm	3,489,005	1,623,514	-	5,112,519
South	3FE Ark Free School	-	-	-	-
South	1FE Christ Church	3,109,570	2,093,987	-	5,203,557
South West	1FE Chipstead Valley	3,225,290	1,909,917	-	5,135,207
South West	1FE Woodcote	658,964	3,977,406	1,000,000	5,636,370
South West	1FE Smithan	745,000	3,735,352	1,750,000	6,230,352
South West	1FE Oasis Bryon	745,000	3,743,858	1,750,000	6,238,858
	Bulges				
	Unidentified	250,000	740,822	-	990,822
South West	1FE Woodcote	80,000	-	-	80,000
	Total Required	47,416,392	42,340,552	4,500,000	94,256,944
	Table 2 - Secondary School Places				
North	6FE School at Arena	6,010,240	1,459,364	-	7,469,604
	2FE Archbishop Lanfranc - Priority School Building Programme 2 (PSBP2)	18,341	-	-	18,341
Central	6FE ARK Secondary Free School	-	-	-	-
	1FE Expansion Norbury Manor Business Enterprise College	-	-	-	-
	6FE Wallington County Free School (Site TBC)	-	-	-	-
	Total	6,028,581	1,459,364	0	7,487,945
	Table 3 - Delivery of SEN Places				
South	St Nicholas	1,563,000	4,679,657	250,000	6,492,657
South	Red Gates	-	1,563,000	5,170,342	6,733,342
North	Beckmead School on Tension Road	6,770,223	645,197	-	7,415,420
Various	Nurture Provision in 2 Primary Schools	150,000	150,000	-	300,000

Various	Post 16 Pathway to Independent Living	-	-	-	-
	Total	8,483,223	7,037,854	5,420,342	20,941,419
	Table 4 - School Condition Allocation				
Various	Major Maintenance works budget	2,190,000	2,000,000	2,000,000	6,190,000
	Total	2,190,000	2,000,000	2,000,000	6,190,000
	Total Required	64,118,196	52,837,770	11,920,342	128,876,308

REPORT TO:	CABINET 11 July 2016
AGENDA ITEM:	13
SUBJECT:	Corporate Plan end of year performance review – April 2015 to March 2016
LEAD OFFICER:	Jo Negrini – Acting Chief Executive Sarah Ireland, Director of Strategy Communities & Commissioning
CABINET MEMBER:	Councillor Tony Newman – Leader of the Council Councillor Simon Hall, Finance & Treasury Councillor Alisa Flemming, Children, Young People & Learning Councillor Louisa Woodley, Families, Health & Social Care Councillor Alison Butler, Homes, Regeneration & Planning Councillor Hamida Ali, Communities, Safety & Justice Councillor Mark Watson, Economy & Jobs Councillor Stuart Collins, Clean Green Croydon Councillor Stuart King, Transport & Environment Councillor Timothy Godfrey, Culture, Leisure & Sport
WARDS:	all
CORPORATE PRIORITY/POLICY CONTEXT/AMBITIOUS FOR CROYDON:	
<p>This report details the latest performance for the Corporate Plan 2015-18, Ambitious for Croydon performance framework approved by Cabinet on the 19th January 2015. The Corporate Plan and its Ambitious for Croydon performance framework sets the strategic direction and priorities for the Council based on the priorities of our local residents. In addition it provides a borough wide view of the performance in areas which are delivered by other public sector organisations and statutory partners.</p> <p>The borough wide view provides an open and transparent foundation for our residents to hold the Council and and it's partners accountable for the delivery of key outcomes.</p>	
FINANCIAL IMPACT There is no financial impact arising directly from this report	
KEY DECISION REFERENCE NO: This is not a key decision	

The Leader of the Council has delegated to the Cabinet the power to make the decisions set out in the recommendations below

1. **RECOMMENDATIONS**

The Cabinet is recommended to:

- 1.1 Note the latest performance for the period April 2015 to March 2016 as detailed at Appendix 1.
- 1.2 Note the achievements, progress and work to date, as detailed in this report, of delivery against the promises set out in the 2015-18 Corporate Plan.
- 1.3 Note the areas of challenge (where the Council is responsible for performance) and the work underway / proposed to address these areas as detailed in Appendix 1.
- 1.4 Note the targets for Council measures which have been set for the year 2016-17 as detailed in Appendix 2

2. **EXECUTIVE SUMMARY**

- 2.1 The purpose of this report is to detail the latest performance against our Corporate Plan 2015-18, Ambitious for Croydon performance measures for April 2015 to March 2016.
- 2.2 This performance report will enable the Council and our residents to track progress and success in a way that promotes openness, transparency and accountability. The borough wide view provides an open and transparent foundation for our residents to hold the Council and it's partners accountable for the delivery of key outcomes ensuring the best possible outcomes for our residents.
- 2.3 The key outcomes detailed on page three, have shaped the Corporate Plan 2015-18 and the three supporting strategies, Growth, Independence and Liveability.
- 2.4 **Appendix 1** details the performance for the reported period (where measures are subject to a reporting time lag the latest available data has been reported, this may not correspond with the reported time period). It also shows how the Council is performing against London and nationally for those measures where comparable data is available.
- 2.5 **Appendix 2** of this report details the Council's targets which have been set for 2016-17 taking into account current performance to ensure that whilst challenging, the targets are realistic and achievable.

3. **DETAIL**

- 3.1 The outcomes that the Council are seeking for the borough and its residents are summarised below. These outcomes are firmly rooted in the Corporate Plan and Ambitious for Croydon framework. In order to ensure these key outcomes are achieved for residents and to shape the direction and structure of the Council, three principal strategic priorities have been adopted: creating growth in our economy; helping our residents to be as independent as possible; and creating a welcoming, pleasant place in which local people want to live.

--	--	--	--

GROWTH	INDEPENDENCE	LIVEABILITY	Enabling Core
To create a place where people and businesses want to be	To help families be resilient and able to maximise their life chances and independence	To create a place that communities are proud of and want to look after as their neighbourhood	To be innovative and enterprising in using available resources to change lives for the better
To enable more local people to access a wider range of jobs	To help people from all communities live longer, healthier lives through positive lifestyle choices	To make parks and open spaces a cultural resource	To drive fairness for all communities, people and places (being developed based on the OFC report)
To grow a thriving and lively cultural offer which engages communities and supports regeneration	To protect children and vulnerable adults from harm and exploitation	To create a place where people feel safe and are safe	To be digital by design in meeting the needs of local people
To enable people of all ages to reach their potential through access to quality schools and learning	To help families and individuals be more financially resilient and live affordable lives	To build a place that is easy and safe for all to get to and move around in	To be open and transparent and put communities at the heart of decision-making
To provide a decent, safe and affordable home for every local resident who needs one	To prevent domestic and sexual violence where possible, support victims and hold perpetrators to account	To improve wellbeing across all communities through sport and physical activity	To have the right people with the right skills in the right jobs

3.2 Measuring our success

The latest available performance for April 2015 to March 2016 is attached in Appendix 1 of this report. The next performance report, detailing the progress of April to September 2016 will be presented to Cabinet in January 2017.

3.3 Delivery for Croydon - Corporate Plan Promises

Progress in delivering Corporate Plan promises during 2015/16, set out under the three ambitions of Growth, Independence and Liveability and the Council's enabling function, includes:

3.3.1 GROWTH

- A new tech business incubator and start-up space opened in Croydon in June 2016
- Created 'Croydon Works', a job brokerage service which matches unemployed and under-employed residents into the jobs created by regeneration, investment and growth. It supports residents to develop the skills, experience and behaviours that employers want
- Reduced the percentage of the workforce on out of work benefits by 0.9 percentage point and the percentage of young people Not in Education, Employment or Training (NEETS) by 1.4 percentage points
- Entered a partnership with the University of Sussex to expand higher education in the borough and raise the number of residents with degrees
- Secured social enterprise borough status as one of only 11 towns and cities across the country to achieve this. There are 120 registered social enterprise businesses in Croydon with hundreds more operating in the wider voluntary, community and social enterprise (VCSE) sector
- Signed up 25,000 landlords to Croydon's new borough-wide selective licensing scheme to drive up housing standards in the private rented sector.

- Secured Boxpark Croydon comprising approximately 80 retail units sitting alongside

3.3.2 INDEPENDENCE

- Launched the Best Start programme for pre-school children to integrate key early intervention services including health visiting, children's centres, early years and the voluntary sector by 2018
- Worked with the Clinical Commissioning Group to deliver integrated and transformed Adult Community Services that avoid unnecessary hospital admissions through shared community services in or near the patient's home
- Launched the 0-25 disability service in April 2016 (as the first part of an all age service) to provide a seamless transition for young people between children and adult services and stimulate a better local offer for young people to enjoy education, employment and a quality of life in Croydon.
- To assist residents in addressing financial challenges, set up the Gateway and Welfare division in April 2015, the country's first combined local authority department designed to tackle housing, welfare, debt management and social care assessment in partnership with other organisations.
- Invested financially in and worked in partnership to relaunch a local credit union as a people's bank and a financial co-operative open to all.
- Raised awareness in the community of domestic abuse and sexual violence through a Croydon Congress meeting and developed a joint strategy to change attitudes and behaviours and punish perpetrators and support victims.
- Raised awareness in the community of child sexual exploitation through a Croydon Congress meeting and developed a joint strategy to identify and stop it.
- Developed the Outcome Based Commissioning model for over 65s to integrate Health and Social Care in an improved model of care.

3.3.3 LIVEABILITY

- Fairfield Halls and Croydon Council Youth Arts were awarded funding from A New Direction, the Arts Council England Bridge Organisation to form a local Cultural Education Partnership.
- Launched an engagement with residents to develop the best possible 21st century library service within current funding constraints.
- Launched the Ambition Festival in July 2015, nominated for 'best new festival' and 'best metropolitan festival' at the UK Festival Awards.
- Worked with partners and the community to achieve reductions in burglary, criminal damage, theft of motor vehicles, theft from motor vehicles, robbery, theft from a person and the incidence of antisocial behaviour and a 4.5 percentage point increase in how people rate the overall level of crime in Croydon in the year to December 2015.
- Implemented area-wide 20mph maximum speed limit for parts of South Norwood, Selhurst, Bensham Manor, Thornton Heath and Upper Norwood in June 2016.
- Invested in major public realm improvements in the metropolitan and district centres through the 'Connected Croydon' programme .
- Launched a Parks Transformation Programme to improve health outcomes, enhance Croydon's cultural offer, develop community stewardship and protect biodiversity, engaging with local people and stakeholders including the GLA to identify priorities.
- Hosted Croydon Tour Series Road Race in June 2015. Opened the newly refurbished Monks Hill sports centre in April 2015.

3.3.4 ENABLING

- Attained accreditation as a Living Wage Employer and implemented the requirement to pay the London Living Wage through the Council's procurement and commissioning processes wherever possible.
- Developed a new Community Strategy and statutory equality objectives in the light of the recommendations of Croydon's independent Opportunity and Fairness Commission published in January 2016 .
- Developed a digital inclusion strategy and a programme to improve residents' digital skills with Go On UK, the national digital strategy charity.
- Delivered a balanced budget for 2015/16 against increasing demand and reduced resources.

3.3.5 Areas of challenge due to high demand

The Council aims to provide a decent, safe and affordable home for every local resident who needs one and to help families be resilient and able to maximize their life chances and independence. However, increased demand on our services in these areas have created some challenges.

- Croydon is currently the 2nd largest borough in London with 379,000 residents and this is predicted to increase by 13% (51,000) by 2031. In addition, Croydon has the largest population of 0-19 year olds in London at 102,000 and this is predicted to increase by 11% (11,000) by 2031. Within this number, Croydon has a high number of Looked After Children, and within this, 51% are Unaccompanied Asylum Seeking Children (UASC). The high number of UASC is as a result of the UK border agency headquarters being located within Croydon meaning proportionally a larger number of UASC are housed within the borough. Latest published data shows that Croydon has the largest number of UASC (410) in London; over 4 times higher than the second highest borough (Hillingdon with 90).
- Croydon also has the second largest population of 18-64 year olds in London at 236,500 which is predicted to increase by 7% (16,700) by 2031.
- The largest increase in population for Croydon is predicted to be in the older people population aged 65 years and over, currently at 49,300 (3rd highest in London) and estimated to increase by 51% (24,700) by 2031.
- Over the last twelve months the council has carried out excellent work in homelessness prevention and this has seen the number of homelessness applications reduce from 2520 in 2014/15 to 1608 in 2015/16. However, owing to increased vulnerability there has been a % increase in acceptances, previously 42% now up 63%, leaving us with over 900 households in emergency accommodation at the end of May 2016, of which 147 are now over 6 weeks.
- In particular, in the area of housing, highlighted in the table, this is an area of considerable focus for the Council, including
 - Expansion of Gateway service
 - The launch of Brick by Brick
 - Working on housing needs allocation, including the use of Homeswap
 - Revised planning policy, notably on affordable housing
 - Empty Homes strategy
 - Additional work on increasing the supply of housing

3.4 Draft Community Strategy 2016-21 and Statutory Equality Objectives

3.4.1 In June 2016 Cabinet agreed the draft Community Strategy 2016-21 and

recommended its adoption by Full Council. The Community Strategy provides a framework for all agencies in Croydon's Local Strategic Partnership to work together on a set of key goals and priorities aimed at addressing key challenges over the next five years. The Strategy has three outcomes:

- Outcome One: A Great Place to Learn, Work and Live in
- Outcome Two: A Place of Opportunity for Everyone
- Outcome Three: A Place with a Vibrant and Connected Community and Voluntary Sector

3.4.2 The Corporate Plan Ambitious for Croydon performance framework is the Council's contribution to achievement of the Community Strategy outcomes. The Council will ensure that all staff deliver against these outcomes and that these run through the Corporate Plan, its supporting strategies and service plans in a 'golden thread' down to the objectives set in individual staff appraisals.

3.4.3 The Council's statutory equality objectives were set out in its **Opportunity and Fairness Plan 2016-20** and agreed by Cabinet in April 2016. They are derived from the final report of Croydon's independent Opportunity and Fairness Commission. The equality objectives have been embedded in the Ambitious for Croydon performance framework and will be reported on for the year 2016/17.

4. CONSULTATION

4.1 No consultation is required.

5 FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

5.1 There are no financial considerations arising directly from this report, however, attention should be drawn to 3.3.5 of this report where areas of high demand are creating pressure on services, with the population expected to grow in these areas there could be future financial implications and risk to services. In addition, welfare policies have a direct impact on homelessness and proposals to reduce the household benefit cap and freeze on working age benefit rates will put further pressure on homelessness.

(Approved by: Lisa Taylor, Head of Finance and Deputy S151 Officer)

6. COMMENTS OF THE BOROUGH SOLICITOR AND MONITORING OFFICER

6.1 The Council solicitor comments that there are no direct legal implications arising from this report.

(Approved for and on behalf of Gabriel MacGregor, Head of Corporate Law Acting Council Solicitor and Acting Monitoring Officer)

7. HUMAN RESOURCES IMPACT

7.1 Each project within the AfC portfolio is, and continues to have, its HR considerations individually advised and appraised. There are no other immediate HR considerations that arise from the outcome of this report.

(Approved by: Heather Daley, Director of Human Resources)

8. EQUALITIES IMPACT

- 8.1 One of the key Ambitious for Croydon outcomes is to “drive fairness for all local people, communities and places”. To support this, the performance framework has been designed to measure the disparities in outcomes and opportunities across the borough.
- 8.2 A suite of fairness and inclusion performance measures have been determined following publication of the independent Opportunity and Fairness Commission (OFC)’s key recommendations in January 2016. These performance measures are based on the Council’s statutory equality objectives that were developed in the light of the OFC’s report. They include measurements of the “gap” in terms of access to employment and housing, homelessness, child poverty, educational attainment, community safety, social isolation and life expectancy. Performance will be reported against these measures in the year 2016/17.

9. ENVIRONMENTAL IMPACT

9.1 There is no environmental impact arising directly from this report, however the Ambitious for Croydon outcomes reflect the Council’s aspirations to create a place that communities are proud of, and in which people and businesses want to be.

10. CRIME AND DISORDER REDUCTION IMPACT

10.1 There is no specific crime and disorder impact arising from this report; however the administration makes a commitment to ensure that local people are safe, and feel safe.

11. REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

11.1 Not applicable

12. OPTIONS CONSIDERED AND REJECTED

12.1 Not applicable

CONTACT OFFICER: Sarah Ireland, Director of Strategy, Communities and Commissioning.

Background documents:

Corporate Plan 2015-18: <https://www.croydon.gov.uk/democracy/dande/policies/corplans/>

Appendix 1

**Performance framework summary report
Latest data for April 2015 to March 2016**

Key outcomes – measuring performance

Priority one - Growth	page
• Neighbourhoods, District Centre's, planning	1
• Jobs and the economy	3
• Education and learning	5
• Culture	8
• Housing	10
Priority two - Independence	
• Early interventions	13
• Health	17
• Safeguarding	22
• Tackling the cost of living	23
• Domestic violence and sexual exploitation	25
Priority three - Liveability	
• Cleaner and greener	27
• Policing and crime	30
• Roads, transport and streets	33
• Sport	35
• Parks and open spaces	37
Priority four – Enabling	
• Finance	38
• Fairness and equality	39
• Open and accountable	40
• Digital and enabling	41
Rag status key	42

GROWTH – Neighbourhoods, District Centre’s, planning

Outcome	How we will measure success?	Performance 2014/15	Target 2015/16	Performance 2015/16	RAG	Compared to
To create a place where people & businesses want to be	The number of small and medium business enterprises (SME's)	11,525 (2012/13) (different data scope)	12,960	12,840 (2013/14) latest available figure until October 2016		Previous figures are not comparable due to the ONS expanding the scope of the data set
	Occupation rates <ul style="list-style-type: none"> • A) Office • B) Retail 	NA	2015/16 data will provide the benchmark	A) 66% B) 92%		NA new measure for 2015/16
	The number of apprenticeship participants within the borough	1280 (November 2013)	NA	1130 (November 2014)	Slightly lower than previous year (A)	Total number of apprenticeship framework achievements (2013/14) London, 20,760 England 253, 500

GROWTH - neighbourhoods, district centres and planning

We want companies and investors to be proud to invest because Croydon is a great place to do business with modern offices in a cosmopolitan centre and strong district centres all served by world class digital networks, our business sector is not growing as fast as London, it is growing faster than in the UK. Over the next five years, a £9 billion investment programme will boost the rate of growth as it transforms Croydon’s communities and the metropolitan centre.

Priorities for growing Croydon’s economy were set out in a report to Cabinet in June 2015, this highlighted how the Council and its partners will work together to respond to the opportunities presented by devolution, working with the private sector, using our powers, activity and resources to support local businesses expand or start up to drive economic growth and secure local jobs.

The council is taking a leading role driving growth through a devolved settlement and financial support to ensure projects supporting growth and jobs come forward, including securing £15m of funding to progress our growth priorities; £7m of which has already been committed by the Treasury. It is

also working with regional partners through the Coast to Capital LEP and the South London Partnership (SLP) to access significant Local Growth Deal funding for infrastructure priorities as well working with Small and Medium Enterprises (SME's) to ensure they access the opportunities provided by the Council's supply chain and commissioning activity and promoting cooperatives, mutuals and Social Enterprises (SE's) through Value Croydon.

Over the next five years Croydon is set to deliver a £5.25 billion regeneration programme with potential through Croydon's Growth Zone proposals to accelerate its growth plans to provide upwards of 23,500 new jobs and 8,300 new homes in Croydon's opportunity area by 2031. Within the Growth Zone the £1billion redevelopment of the Whitgift Centre and Centrale will see Croydon become one of London's most visited retail and leisure destinations.

To further support small businesses, the Council will continue to resource the Croydon Enterprise Loan Fund (CELF) to provide localised access to finance opportunities for small businesses that may not be able to access traditional lending. Tomorrow – a state of the art tech business incubator and start up space in the heart of Croydon launched in May 2016. The project originally had £2m backing from the council and the Greater London Authority (GLA), this has since been increased to £4m and provides office space, training, courses and events; it will also house the UK's first digital art and specialist media hub.

Business growth grants of between £15,000 and £100,000 are available to help Croydon companies with less than 250 employees grow and create new jobs. Almost £2.5million is available through **Coast to Capital** partnership to boost economic growth across an area extending from the Sussex coast to Croydon. Grants to cover up to 40% of capital investment costs are available provided new employment opportunities are provided. New and existing businesses or social enterprises are all eligible to apply by 30 September 2016.

The Council's is responding innovatively to the shortage of affordable housing locally by setting up a development company, Brick by Brick which aims to deliver approximately 1000 units of mixed tenure housing on council-owned land across the borough by 2019. As sole owner any return on investment will be returned to the Council to be used for the benefit of local people. Over 50 sites are currently undergoing feasibility for residential development.

GROWTH – Jobs and the economy

Outcome	How we will measure success?	Performance 2014/15	Target 2015/16	Performance 2015/16	RAG	Compared to
To enable more local people to access a wider range of jobs	The overall JSA Claimant rate	2.9%	Aim to improve on 2014/15	2%	Target exceeded (G)	London 1.9% (A)
	Reducing the gap between the highest and lowest wards	NA	2015 data will provide the benchmark	2.7%	NA new measure for 2015/16	
	Long term unemployment (those receiving JSA for 12 months or more)	0.5%	0.5%	0.4%	Target exceeded (G)	London 0.4% (G)
	% of working age on out of work benefits	9.8%	Aim to improve on 2014/15 (9.8%)	8.8%	Target exceeded (G)	London 8.2% (A)
	% of young people Not in Education, Employment or Training (NEET)	3.7%	3.4%	2.30%	Target exceeded (G)	England 5.3% (G)
	% of young people aged 18-24 who are claiming Job Seekers Allowance	3.1%	3.2%	2.9%	Target exceeded (G)	London 2.3% (R)
	The volume M2 of new Grade A commercial space delivered within the borough	NA	2015 data will provide the benchmark where possible	TBC	NA new measure for 2015/16 work underway	

GROWTH - jobs and the economy

Croydon has a relatively high employment rate compared to London, with residents more likely to be employed in lower-wage, lower-skilled jobs in the business administration, support and retail sectors. However, Croydon also has the fastest growing tech cluster in London, and the number of apprenticeships offered by Croydon businesses and organisations outnumber any other borough. It is anticipated that over the next five years more than 24,000 jobs will be created in Croydon through regeneration activity in the Croydon Opportunity Area through growth mainly in the construction, financial services, health and social care and ICT sectors. The Employability Hub in Croydon College is also set to help 8,000 students meet and network with local big name employers.

In addition to the employment opportunities created through town centre regeneration, Gatwick Airport is a major economic driver for the South-East

region, providing 21,000 on-airport jobs and a further 10,000 jobs through related activities. The Council continues to pledge support to Gatwick's campaign for a second runway and will work with government to convince them that this remains the right choice. Our joint Memorandum of Understanding will enable us to continue to work in partnership to realise employment and growth opportunities through further airport expansion for the Borough.

Supporting our residents, both young and old, into employment to benefit from opportunities means ensuring they are equipped with the necessary skills and qualifications that modern businesses look for. A sustained focus on training and education to develop a modern, skilled workforce is a key part of our economic development strategy, including engaging the full spectrum of education providers from primary schools, colleges and universities and on into adult education. Figures currently show unemployment continuing to fall however compared to the average for London, Croydon lags slightly behind in the 18-24 age group. This target group is the one with the most provision available mainly through local colleges. Croydon College has an employability hub and John Ruskin has a students' lounge where students can obtain specific employability information and support. Attracting an International calibre University also remains a priority for Croydon to deliver a skilled workforce. The newly arrived Sussex Innovation Centre model in the town centre has brought with it the positive reputation of Sussex University which is tied with Croydon College to deliver degree courses on their behalf. The Apprenticeship Levy, announced in the 2015 autumn statement will be rolled out from April 2017 and will require employers, including the Council, to create and deliver more apprenticeship placements. Working with our partners including businesses, schools and college we will respond to this increase by providing suitable placements as well as high quality training provision to address growth industry and skills areas and skills gaps.

The Council and partners have created Croydon Works, a job brokerage service which matches unemployed and under-employed residents into the jobs created by regeneration, investment and growth. Croydon Works delivers a bespoke professional free to use recruitment service to businesses and supports residents to develop the skills, experience and behaviours that employers want.

We are committed to the development of the social economy in the borough, pledging our support to cooperatives, mutual and social enterprises as a solution for elements of the local economy. Croydon has secured social enterprise borough status as one of only 11 towns and cities across the country to achieve this. There are more than 120 registered social enterprise businesses in Croydon with hundreds more operating in the wider voluntary, community and social enterprise (VCSE) sector providing a range of employment and voluntary opportunities.

Ruskin Square adjacent to East Croydon station is currently undergoing development. On completion it will include 1.25 million square feet of office space and more than 600 flats with Boxpark Croydon comprising approximately 80 retail units sitting alongside. To help drive the regeneration of local areas the Council is promoting and supporting meanwhile uses for commercial properties in target areas through provision of grant funding for rent and rate free periods. This initiative will increase opportunities for small businesses and voluntary community groups to acquire premises from which they can operate. The increase in occupancy rates will also have a positive impact on the local environment.

GROWTH – Education and Learning

Outcome	How we will measure success?	Performance 2014/15	Target 2015/16	Performance 2015/16	RAG	Compared to
To enable people of all ages to reach their potential through access to quality schools and learning	Percentage of children at the end of reception year who are judged to be at a good level of development	57% (2013/14 Academic)	Aim to match England average (66.3%)	64.7%	Target not met, better than previously reported year (A)	London 66.3% England 68.1% (provisional) (A)
	% Parents offered one of their top 3 school choices (Primary)	92% (2014/15 entry)	95%	94% (2015/16 September entry)	Target not met, better than previously reported year (A)	London 92.5% England 95.7% (G)
	% Parents offered one of their top 3 school choices (Secondary)	88% (2014/15 entry)	93%	89% (2015/16 September entry)	Target not met, better than previously reported year (A)	London 90.7% England 95.5% (A)
	Educational attainment by the age of 19 at Level 2	88% (2014 Academic)	86%	88.6% (2015 Academic)	Target exceeded (G)	London 88.2% England 86% (G)
	Educational attainment by the age of 19 at Level 3	64% (2014 Academic)	At or above the London average (64.9%)	64.4% (2015 Academic)	Target not met, better than previously reported year (A)	London 64.9% England 57.4% (A)
	% of all primary schools given overall effectiveness rating of good or outstanding by OfSTED at most recent inspection	87% (March 2015)	94%	90% (September 2015)	Currently below annual target, better than previously reported year (A)	London 88.2% England 84.8% (G)
	% of all secondary schools given overall effectiveness rating of good or outstanding by OfSTED at the most recent inspection.	68% (March 2015)	93%	71.4% (June 2015)	Currently below target, better than previously reported year (R)	London 85.3% England 74.4% (R)

% of PRU's given overall effectiveness rating of good or outstanding by Ofsted at the most recent inspection	100% (March 2015)	100%	NA	NA - There have been no inspections this year	London 82% England 87%
% of Special schools given overall effectiveness rating of good or outstanding by Ofsted at the most recent inspection	100% (March 2015)	100%	NA	NA - There have been no inspections this year	London 92% England 90%
KS2 Reading, Writing and Maths % L4+	75% (2013-14 Academic)	79% (2014-15)	78% (2014-15 Academic)	Target not met, better than previous year (A)	England 80% (A)
%+ GCSE A*-C grade including English and Maths	57% (2013-14 Academic)	62% (2014-15)	59.6% (2014-15 Academic)	Target not met, better than previous year (A)	London 60.9% England 53.8% (A)

GROWTH - education and learning

Raising educational standards supports economic growth, personal independence and makes a locality more attractive to potential residents. We are working to ensure local residents have the skills to take up the jobs being created in the borough.

An important starting point for learning is the Early Years Foundation Stage which is crucial to ensuring future success. Success at this stage means that children are ready to enter primary, the phase of schooling with the skills and knowledge needed to access the curriculum and achieve the right standards in reading, writing and maths at this age range. Croydon performance in the Early Years Foundation Stage at age 5 improved significantly (by 8%) from 2014 and is now only slightly below statistical neighbours, London and national averages. Our Best Start Programme will help further enhance these improvements, in the future

Key Stage 2 tests at age 11 in 2015 were below the national average in reading, writing and mathematics combined scores at Level 4 (the expected level of attainment), although we did have a 3% borough increase and 13 schools made over a 10% increase in their combined attainment. Achievement at the end of Key Stage 4, is very positive with an increased percentage of pupils achieving A* - C in comparison with last year. Croydon remains significantly above the national average. Permanent exclusions remain low.

We have our highest proportion ever of Croydon schools judged by Ofsted at good or better. In November 2015 90% of primary schools were judged to be good or better and 71% of secondary schools, an improvement from 87% and 68% respectively. The higher percentage of schools now judged good or better indicates a stronger platform for success in the 2015-16 academic year.

In order to raise the aspirations of our residents the Council is working with partner organisations to secure the development of a new facility to accommodate Croydon College on the College Green site. Work is also ongoing to attract a leading university to establish a campus in Croydon to enhance the higher education offer in the borough for the benefit of local people and business.

CALAT secured continuing improvements in outcomes for learners in summer 2015 exams, with success rates now at 87% (+1%) and attendance at 85% (+2%). Retention rates have been maintained at between 92-94%. In the 2014-15 education year there was a 112% increase in the unemployed leavers (422) referred by the Job Centre, who access training to improve employability skills.

GROWTH - Culture

Outcome	How we will measure success?	Performance 2014/15	Target 2015/16	Performance 2015/16	RAG	Compared to
To grow a thriving and lively cultural offer which engages communities & supports regeneration	The number of cultural events and programmes supported and delivered by the council across the borough representing the community	NA	2015 data will provide the benchmark	4137		Local indicator no comparable data available
	Number of visitors to Croydon	NA	2012-2014 data will provide the benchmark	241,000 (2012-2014)		NA new measure for 2015/16

GROWTH - culture

Our ambition is to grow a thriving and lively cultural offer which engages communities and supports regeneration. Plans agreed in November 2014 set out Croydon's vision for the new Cultural Quarter to help spearhead the town Centre's regeneration. The Cultural Quarter around College Green will incorporate the Croydon Clocktower, Surrey Street, Exchange Square and the Minster and will be the focus for cultural events including festivals, public art and outdoor programmes. We will invest in refurbishing Fairfield Halls transforming it into a modern concert and events venue to re-establish its reputation as a globally recognized music and theatre venue and the focal point for Croydon's creative and cultural scene by 2018. This will include a full refurbishment of the concert hall, flexible performance and arts spaces and outside areas on the transformed College Green public square. A planning application for the Fairfield Halls and College Green redevelopment was submitted in early 2016 and determination is scheduled for July 2016.

The Museum of Croydon opened its new exhibition 'Croydon recreated' and launched the new online archives collections catalogue in October. New external banners promoting Croydon Clocktower as a venue for Arts & Culture were also installed in November. Following refurbishment of the Research Room and Exhibition Gallery at Croydon Clocktower visits have increased by 6% on previous year and arrange of object or archive sessions for schools, creative workshops for families and adult events have been run. In addition Club Soda was supported to deliver 120 workshops and 5 major events run by and for people with learning disabilities.

A range of other high profile events have taken place this year bringing many more visitors and changing perceptions of the borough. In June 2015 Croydon took centre stage when it hosted one of the biggest cycling events in Britain for the first time, with Olympic champions racing through North End. The Pearl Izumi Men's Tour Series and Matrix Fitness Women's Grand Prix, two of the country's main professional cycling events and the

backbone of the UK pro-cycling scene. Croydon was one of ten venues hosting a round of the tour series and the only London town centre location. Croydon hosted a second successful tour on 7 June 2016.

The Ambition Festival in July 2015 proved that Croydon is open for business when it comes to music, dance and comedy - hosting four days of performances, installations and activities and showing potential to reverse the decline in live music in London. New installations at the Platform, Ruskin Square, the Minster, Exchange Square and the Queens Gardens' new bandstand stage supplemented established venues such as Fairfield and proved to be a successful spots for live music of all varieties. Also in July, South Norwood hosted the 'The Streets' which aims to reignite the energy and identity of high streets by coupling commercial priorities with cultural activity and staging dynamic, spectacular performances whilst stimulating local participation and discovery. The main event took place in November as part of the EFG London Jazz Festival with empty shops and cafes in the high street taken over by live music and performance.

October 2015 saw our Open House London weekend give our residents the opportunity to tour the Town Hall, Bernard Weatherill House and the Clocktower and the craft beer festival held in the Croydon Clocktower's Braithwaite Hall, the festival featured Croydon's own The Cronx Brewery.

With the closure of Fairfield Halls in Summer 2016 for extensive renovation and modernization, work is underway to develop a programme of cultural events in partnership with local people. The intention is to increase and enhance the range of programmed cultural activities and events delivered at venues across the borough such as Stanley Halls, Croydon Clocktower, Matthews Yard, Boxpark Croydon and diverse community facilities. Boxpark Croydon will be a key venue for the Ambition Festival in 2016 owing to Fairfield Halls being unavailable.

GROWTH - Housing

Outcome	How we will measure success?	Performance 2014/15	Target 2015/16	Performance 2015/16	RAG	Compared to
To provide a decent, safe & affordable home for every local resident who needs one	The number of households accepted as homeless under the Housing Act	842	720	962	Target not met (R)	No comparable data available
	Number of homeless households living in bed & breakfast and self-contained temporary accommodation.	592	450	843	Target not met (R)	No comparable data available
	Number of families in Bed and Breakfast (B&B) with shared facilities, 6 weeks or more	57	10	89	Target not met (R)	No comparable data available
	Number of market homes enabled (for sale or rent)	1872	503	1016	Target exceeded (G)	No comparable data available
	Affordable Housing – the number of affordable homes completed (gross)	705	564	536	Target not met (A)	out of 32 London Boroughs
	The percentage of private rental housing stock licensed through the selective licensing scheme	NA	100% by 2016/17	81% Launched in October 2015	NA new measure for 2015/16	
	The number of empty properties returned to use	97	75	137	Target exceeded (G)	No comparable data

GROWTH - housing

Despite Croydon house prices and rents being below the London average, housing costs are rising and many Croydon residents are finding it increasingly difficult to afford local homes due to falling incomes and benefit changes. We have seen a rapid increase in homelessness over the past three years resulting in more families being housed in temporary accommodation.

Whilst applications are down to reduce the numbers within temporary accommodation we need to increase supply to relieve the pressure. This is difficult as Croydon has a smaller social rented sector than other boroughs and our residents are more vulnerable to homelessness due to levels of household income and the types of occupation. It therefore has less capacity to absorb the current demand for accommodation from homeless households.

Current Government policy on local housing allowance cuts across the Council's effort to tackle homelessness and of achieving a balanced budget. Local Housing Allowance levels have fallen well behind actual market rents. The council is also reviewing its approach to purchasing its own supply especially in emergency accommodation where we see the greatest level of cost being incurred whilst we consider the more medium term of building an increased number of properties through brick by brick and other options such as work with registered providers.

We are committed to using our planning powers to get the best out of the housing market. We have already increased the affordable housing requirement outside the opportunity area in Croydon from 15% to 50% with effect from 1 April 2015. Recent changes to planning rules have allowed offices to be converted to new homes without needing planning permission. The vast majority of these conversions have been of a substandard size, and the Council has taken action to restrict this type of development from September 2015.

The Council agreed in principle in September 2014 to establish a housing company to optimise the supply of new housing and support delivery of the Mayor's London Plan, the London Housing Strategy and Croydon's Local Plan requirements and targets for new homes. The company is a key intervention for the delivery of affordable homes with potential to increase the supply of affordable homes and provide mixed tenure development including social rent, affordable rent, low cost home ownership and market sale. The outline proposal for the Development Company was agreed in March 2015. Alongside the new Development Company, we have established a Revolving Investment Fund to develop new homes for various tenures. The Taberner House site is set to be the first to be developed through the new Development Company. Following a report to Cabinet in July 2015 it was agreed for a new delivery structure for this site to generate a net value return to the Council of at least double that of the previous Consented Scheme. In addition, the proposed scheme includes a greater proportion of affordable housing. A revised planning application will be submitted this year with a view to works starting on site this winter.

The Gateway service targeted at resolving housing, financial and social issues to help people become more independent has enabled the delivery of more specialised and tailored help and support to prevent homelessness. Owing to our overall revised approach in regard to prevention we have seen a dramatic decrease in the number of applications for homelessness, in 2014/15 we received 2,540 where in 2015/16 we received 1,608. Although as our overall acceptance % has increased the number of acceptance has still risen. What this confirms is we are better targeting the same levels resource to support and help our more vulnerable customers. This approach has seen us recently shortlisted for Andy Ludlow awards for innovation in preventing homelessness.

The Council is amending the existing rules relating to the housing register and opting instead for the introduction of choice based lettings.

In addition we continue to negotiate agreements with the owners of empty homes to use them as accommodation in return for assistance in bringing the property back into use. Croydon, as lead partner within the South West London Housing Partnership obtained grant funding from the GLA's Affordable Homes Programme to refurbish 153 homes across the partnership during 2015/16. Of that allocation, 94 of the homes refurbished are in Croydon, and have been rented at an affordable level. The homes are used for various purposes by the Council's Housing Initiatives Team; some are leased directly by the Council (Croylease) and used to rehouse existing Council tenants currently in overcrowded situations, some are leased by Approved Agents and used as temporary accommodation, and many enter into the Croybond letting scheme. We have acquired the lease of 140 units at Windsor House in London Road, which we will use to reduce the number of households in bed and breakfast accommodation above six weeks and to also reduce the overall cost of temporary accommodation in Croydon.

.The funding allocated to Croydon for 2015/16 amounts to £1,800,000 from the GLA and £450,000 from the SWLHP's historic funds. This funding became available in Q2 2015/16 and officers have been entering into contracts with owners during the subsequent months, currently 87 of the 90 have reached acquisition. In addition to this funding, the Council have £500,000 of internal funds to use on similar terms but only for family homes and with a more flexible completion deadline. In Q1 2015/16 3 properties were refurbished using Council funds before the GLA funding became available, the remainder of the Council's own funds will be spent on properties that cannot be refurbished before the GLA deadline and will complete during early 2016/17.

Regenerating our council housing estates and improving standards for our residents, requires maintaining all council homes to the decent homes standard. To achieve this we have committed to regenerate our council estates and a substantial maintenance and improvement programme to keep council homes decent and improve energy efficiency which invests in excess of £30m per year is underway. From 2019 an additional £6m per year will be available to fund an estate regeneration programme which will provide new homes for families in need, and provide new community infrastructure and an improved environment for our existing tenants.

The council commitment to drive up housing standards for tenants living in the private rented sector and as part of the effort to eradicate rogue landlords and improve standards in the private rented sector. A Private Rented Property License Scheme was successfully launched in October 2015. The % of private rental housing stock licensed through the selective licensing scheme is 81% based on the 26,188 properties registered from the initial figures of 32,500

INDEPENDENCE – Early interventions

Outcome	How we will measure success?	Performance 2014/15	Target 2015/16	Performance 2015/16	RAG	Compared to
To help families be healthy and resilient and able to maximise their life chances and independence	The number of families for whom a Troubled Families Outcome payment is achieved	785 (3 year rolling total)	240 (annual)	146	Target not met (R)	No comparative data available
	Conception rate per 1,000 girls (aged 15-17 years) rolling average	32.13 (Rolling average 2013)	26.6 (2014)	30.4 (rolling average December 2014)	Performing below target, better than previously reported year (R)	London 21.9 England 22.1 (R)
	The proportion of carers who reported that they have as much social contact as they would like	41.4% (2012/13)	No target set	31.7% (July 2015)	Decrease since previous survey	London (2014/15) 35.5% England (2014/15) 38.5% (R)
	The percentage of service users who use services who find it easy to find information about support	71.6% (March 2015)	Pending HSCIC outturn confirmation	68% (Provisional)	Decrease since previous survey	London (2014/15) 72.5% England (2014/15) 74.5% (A)
	The percentage of carers who use services who find it easy to find information about support	60.6% (March 2013)	Pending HSCIC outturn confirmation	60.3% (March 2015)	Slightly decrease on previous year (2012/13)	London (2014/15) 62.1% England (2014/15) 65.5% (A)
	The percentage of people who use services who reported that they have as much social contact as they would like	45.2% (March 2015)	Pending HSCIC outturn confirmation	42% (March 2015/16 provisional)	Decrease on previous year	London (2014/15) 41.8% England (2014/15) 44.8% (G)
	Percentage of eligible three and four year olds accessing funded early education	NA new measure	88% (2014/15)	87% (Autumn 2014 & spring 15 combined)	Target not met (A)	Local indicator – no comparative data available

	Percentage of eligible two year olds accessing funded early education	NA new measure	55% (2014/15)	57% (Autumn 2014 & spring 15 combined)	Target exceeded (G)	Local indicator – no comparative data available
--	---	---------------------------	------------------	--	--------------------------------	---

INDEPENDENCE - early interventions

The Council wants to enable people and their families to remain, or become as independent as possible. We can do this through the development of strong and supportive communities, and through early intervention and prevention which reduces the escalation of need.

Croydon has the largest population of 0-19 year olds in London at 102,000 and this is predicted to increase by 11% (11,000) by 2031. The Council wants to support families by giving their children a better start in life. We are working in partnership with local agencies to deliver a wide range of services to improve the outcomes of children. We have implemented the wide ranging requirements of the Children and Families Act which ensures that children and young people with special educational needs and disabilities will be supported to achieve the same ambitions as any other child or young person in Croydon. This includes the publication of a Local Offer to inform families and practitioners about the services available to them.

Through the Troubled Families programme the lives of hundreds of families have been turned around and this will continue into the next phase of the programme. A fully integrated Multi Agency Safeguarding Hub (MASH) has been established with involvement from all key agencies which ensures there is comprehensive information-sharing between agencies and that prompt and appropriate decisions are made about whether families require social work or early help services. We have also established an Early Help Hub where partner agencies can make referrals, submit Early Help Assessments and seek advice on how to assist children and families. Over the past 12 months the number of early help assessments has increased significantly with much greater involvement from other agencies including schools and health.

We are taking forward proposals for a new model of delivery for 0-5 year old children by developing joint services with Health providers. This model will be known as Best Start and is due to be launched in April 2016. This model received approval from Cabinet in December 2014 and is supported through £1.5m transformation funding from the DCLG. As one of the first 20 boroughs in England to be named as an early intervention place, the Council is looking to be a national leader in early years development.

The authority has had some challenges in ensuring that the number of free places for 2 year olds in Early Years settings utilised. We have held a number of successful meetings with local agencies and providers to discuss how to ensure that sufficient places remain available and to encourage parents to take them up.

The council commissions universal sex and relationship education programmes and targeted teenage prevention programmes for young people identified as being at greater risk of teenage pregnancy. This includes support to schools. We also commission a range of young people centred sexual health services, these include young people's contraceptive and sexual health clinics in CASH and GUM as well as targeted provision for those at greater risk in colleges, the Turnaround Centre and local Children's Centres. There is also a sexual health service offer to young people through local pharmacies. There is also a range of printed educational materials and online information and advice on sex and relationships available to young people in Croydon

The Transformation of Adult Social Care (TRASC) Programme seeks to deliver personalised services, as well as a financially sustainable adult social care system in response to reducing budgets and increasing demand arising from an aging population and an increase in clients with increasingly complex needs. The Programme will also reduce the underlying cost pressure through better management of demand, effective commissioning and promoting independence at every opportunity to release further cost efficiencies.

The intended benefits of the programme are:

- People will have better access to advice, information and targeted prevention that will help them to live their lives without support from the Council. We are developing an information, advice and advocacy framework over the next few months with engagement events to support this process being held in June/July 2016. We expect this to improve the reported level of service users and carers who find it easy to find information about support (p13)
- People will be supported through re-ablement to be as independent as possible - following a review of existing services we are now working to expand the service to also focus on people living in the community to improve their independence and reduce admissions to hospital. Despite an increase in the total number of supported hospital discharges in 2015-16 the % of older people discharged from hospital to their own home achieving independence dipped only slightly. The expansion of re-ablement should contribute to an improvement on this in 2017.
- People will have more choice and control, leading to higher satisfaction levels. We introduced a new prepaid card in April 2106 for existing and new recipients of direct payments which is credited with the service user's direct payment so that they can use it to purchase the required goods and services as set out in their support plan. The card makes it easier for the holder to manage their money and reduces the burden on them to provide paper based monitoring of their use of their budget making a direct payment option more attractive.
- More people will be supported to live independently. We are developing an asset based approach to how we work with people during initial contact, assessment and review stages to seek to connect people with communities, maintain their own support networks, support carers and build individual resilience as much as possible to increase independence. The Croydon Challenge project working on enhancing our communities and our offer to carers can both play a significant part in improving performance of services users and carers who report that they have as much social contact as they would like.
- People will be safeguarded with an emphasis on prevention by offering information, advice and early interventions that are responsive and sustainable. People will be encouraged to use their social networks, community resources and third sector organisations to maintain their safety.
- The focus of safeguarding interventions will continue to build on the Care Act principles and making safeguarding personal with an outcome focussed intervention that promotes peoples independence, choice and control. We exceeded the target set for the percentage of concluded adult safeguarding investigations where action resulted in risk reduction or removal.

Community Empowerment Pilots

TRASC is funding the project worker to deliver the aspects of the shared agenda with the Community Resources Board's to strengthen and enable communities to increase control over their lives through greater involvement in the development and delivery of local services.

Phase one of this programme includes three pilot initiatives and their implementation is underway and an update will be provided in the next report. The three pilots are; Pathfinder model in Shrublands, SENTAB in New Addington & Coulsdon East and community meals in Thornton Heath

We continue to develop an integrated and outcome-focused approach to our work with our health partners. To this end, in 2016, we are establishing an Alliance of Accountable Providers (APA) to commission and deliver all, age 65 plus social care, community and acute health and voluntary sector and prevention services in Croydon. This ground breaking new way of joining up these organisations in to a single alliance organisation will enable services for the age group to be better co-ordinated, seamless and focused on outcomes of the individual in a more cost efficient way.

In response to the Council's Independence Strategy we are establishing an all-age disability service to integrate our service for children and adults with disability in to one team during 2016. The 0-25 service began in April 2016 and seeks to provide a seamless transition for young people between our children and adult services and stimulate a better local offer for young people to enjoy education, employment and a quality of life in Croydon.

INDEPENDENCE – Health

Outcome	How we will measure success?	Performance 2014/15	Target 2015/16	Performance 2015/16	RAG	Compared to
To help people from all communities live longer healthy lives through positive life choices	The estimated % of smoking tobacco prevalence – adults over 18	17.0% (December 2013)	17%	17.1% (December 2014)	Target not met (A)	London 17% England 18% (G)
	Life satisfaction – average score out of 10 in response to the question, overall how satisfied are you with your life nowadays?	7.38 (2013/14)	Not appropriate to set a target for this measure	7.36 (2014/15)	Slightly lower than previously reported	London 7.5 England 7.6 (A)
	Wellbeing – average score out of 10 to the question, overall to what extent do you feel the things you do in life are worthwhile?	7.6 (2013/14)	Not appropriate to set a target for this measure	7.73 (2014/15)	Improvement on last reported	London 7.73 England 7.81 (G)
	Happiness – average score out of 10 to the question, overall how happy did you feel yesterday?	7.31 (2013/14)	Not appropriate to set a target for this measure	7.39 (2014/15)	Improvement on last reported	London 7.38 England 7.45 (G)
	Anxiety – average score out of 10 to the question, overall how anxious did you feel yesterday?	3.4 (2013/14)	Not appropriate to set a target for this measure	2.91 (2014/15)	Improvement on last reported	London 3.01 England 2.86 (G)
	Percentage of children in Reception (aged 4-5) who are classified as overweight or obese	23.1% (2013/14)	23%	22.24% (2014/15 academic)	Target exceeded (G)	London 22.16% (A)
	Percentage of children in Year 6 (aged 10-11) classified as overweight or obese	38.3% (2013/14)	37.6%	38.98% (2014/15 academic)	Target not met (A)	London 37.21% (G)
	Persons presenting with late diagnosed HIV (infected adults)	58.3% (2010-12)	Not appropriate to set a target for this measure	58.8% (2012-14)	Decrease on previously reported period	London 36.57% England 42.23% (R)
	Proportion of people who use services who have control over their daily life	71.5%	Pending completion of benchmarking exercise	70%	Decrease on previously reported period	London 71.6% England 77.3% (A)

% of older people discharged from hospital to their own home achieving independence	87.18%	88%	84.7%	Target not met (A)	London 85.3% England 82.1% (A)
Life expectancy from birth – Men	NA	2012-14 will be used as benchmark	80.3 years (2012-14)	NA	London (2012-14) Male 80.3 England (2012-14) Male 80 (G)
Life expectancy from birth – Women	NA	2012-14 will be used as benchmark	83.6 years (2012-14)	NA	London (2012-14) Female 84.2 England (2012-14) Female 84.1 (A)
Vaccination rate (MMR2) for children at 5 years old	NA	90% (2014-15)	69.7% (March 2014/15)	Target not met (R)	London: 81.1% England: 88.6% (R)
Alcohol related hospital admissions (rate per 100,000 population (broad))	1029 (2014/15)	520.2	455 (June 2015)	Currently better than target (G)	London – 526 (June 2015) England – 641 (June 2015) (G)
The proportion of adults classified as overweight or obese	NA	TBC	63% (March 2012 -14)	NA	London 58% England 64% (A)
Under 75 mortality rate from cardiovascular diseases considered preventable (persons)	53.9 (2011-13)	53.9	51.1 (2012-14)	Target exceeded, (G)	England 50.9 London 50.2 (A)
The proportion of people who complete psychological therapies (IAPT) who are moving to recovery	42.91% (March 2014)	50% (National target)	42.9% (Q3 2015/16)	Currently below target (A)	England 14/15 – 44.8% London 14/15 – 41.6% (G)

INDEPENDENCE - health

Smoking, obesity, alcohol and drug abuse can have major impacts on people's health and are closely associated with deprivation. The impacts can be reduced through early identification and intervention. Helping our older residents live long, healthy and independent lives is the key aim of a joint programme by the Croydon Clinical Commissioning Group (CCG) and the Council and will transform the way we deliver and buy health and social care

services for our over 65's. The programme, Outcome Based Commissioning (OBC) is a new approach that integrates health and social care, and incentivises providers to achieve a set of outcomes and experiences that are important to people. The Council, along with the CCG will jointly commission a ten year outcomes based commissioning contract from an alliance of health and social care providers.

Croydon became a Heart Town in 2013. We have worked with the British Heart Foundation to promote awareness of heart disease and encourage people to reduce their risk. We currently offer people support to stop smoking, achieve and maintain a healthier weight, eat a healthier diet and become more active. To impact on rates of cardio-vascular disease we need to achieve population level changes in behaviour. The Food Flagship aims to do this by changing the borough's food culture. Work is also underway to bring together our healthy lifestyle services into a single offer, LiveWell Croydon. This will target our efforts toward those who most need support whilst enabling the broader population to access information and advice to help them make changes for themselves.

In 2015, Croydon was awarded Flagship Food Borough status to pilot new approaches to reconnect individuals, families and communities with healthy eating, growing and cooking. The high level outcomes for the programme are to reduce levels of childhood obesity, increase school attainment and decrease the numbers of new cases of type-2 diabetes

Central to the Food Flagship offer is the School Food Plan which aims to improve the quality and uptake of school food and promote cooking skills. To date, 175 staff members (from 75 schools) have received food training. The three flagship schools have delivered 11 parent/carers healthy eating workshops and all 11 caterers signed to agree to meeting the School Food Standards in all schools. There has also been an increase in free school meals and meal uptake overall.

The innovative Community Food Learning Centre situated in New Addington, is a community resource for learning to grow and cook, with an extensive teaching garden and kitchen. To date, 119 residents have completed a catering or horticultural course. The Community Gardening project provides training for individuals and builds the communities capacity for food growing. The project now has 12 Food Buddies, 22 Master Gardeners and 44 social prescription referrals. The Healthy Food Businesses project is now successfully running its second course with 18 attendees. The project supports individuals to set up and develop their own business which offers good quality food. The Food Flagship programme also supports established businesses via the Eat Well Croydon project which supports businesses to provide healthier food provision and make small changes. The community grant has supported six projects to date. The applications varied from gardening projects for those with learning difficulties to cooking lessons for all. We have established a Food Partnership board to engage with the community to improve access to healthy food and awareness of food related issues.

Live Well Croydon is a proposal to redesign current separate lifestyle services into a new innovative model to improve the health and wellbeing of Croydon residents. There are two main parts to the programme; developing a digital behaviour change platform, known as 'Just Be...' that will provide information, interventions and advice on all lifestyle services, which will launch in Summer 2016. Secondly, an evidence based Council led 12 week motivational interview service, known as 'MI Change', due to launch in Autumn 2016."

NHS England is developing a local borough immunisation action plan which will contribute towards London achieving the World Health Organisation recommended herd immunity level of 95% for childhood immunisations by 2020 across London. The plan will be overseen by the Croydon health protection forum which advises the director of public health on local health protection issues. In addition, NHS England are visiting practices which have been identified as having a large cohort of children who have not received the 2nd dose MMR, in which an improvement in uptake will make an improvement in Croydon. The Council and NHS England are co-commissioning the school health service in Croydon. The immunisation part of the

specification includes supporting GPs in their Year 5 cohort performance. Evidence suggests that a multifaceted, coordinated programme across different settings will increase timely immunisation among groups with low or partial uptake improves uptake.

We have developed a comprehensive, coordinated service to identify people drinking at risky levels and to offer brief advice to encourage sensible alcohol consumption. Known as Alcohol IBA, this pilot service is being delivered in 20 Pharmacies and 2 GP Practices. Croydon has also commissioned Don't Bottle It Up, a web-based tool offering a one stop shop to advise Croydon residents of the harms of excess of alcohol and support to modify behaviour. Croydon recently completed a commissioning exercise which has resulted in an integrated drug and alcohol treatment system with a strong focus on prevention. To reduce alcohol related admissions, commissioners, together with providers, have developed defined pathways, improved communication, in-reach work into local hostels and increased partnership working.

The Council continues to work with partners to promote good mental health, as those with higher well-being have lower rates of illness, recover more quickly and for longer, and generally have better physical and mental health. The Heart Town programme, is a five-year partnership with the British Heart Foundation, tackling the risks that cause heart disease. In May, the Council's public health team and Croydon Heart Town hosted a free three-day health event which was open to all, offering a range of activities such as a smoothie making bike, dance-ercise, NHS health checks and health advisers on hand offering top tips to help people feel great. In September, the Council was one of only ten places across the country to host the Stoptober Roadshow having been chosen for its quit smoking teams success. Our quitters exceed London and national averages for quit rate, this being achieved with one of the smallest teams in the capital. Croydon's smoking cessation programme prioritises groups at increased risk of harm from smoking including pregnant smokers, young people, those with mental health problems, those with long term conditions and people living in deprived areas. Croydon council supported wider efforts to reduce tobacco use in June 2015 when the leader signed the Local Government Declaration on Tobacco Control.

The Sexual Health Transformation work started earlier this year. This entails a shift of emphasis towards prevention of sexually transmitted infections and unwanted pregnancies and a review of targeted work is currently taking place, priority areas such as teenage conceptions and HIV will be improved through these targeted services. As a result, we have already seen an improved uptake of HIV testing over the last 18 months.

Plans for establishing Outcomes Based Contracts for joint work by health, social care and the voluntary sector (in a Provider Alliance) for the over 65s are developing well: a new, more integrated and preventative model of care has been developed which, subject to final agreement of this approach, will include the extended use of re-ablement and focus strongly on prevention and early intervention, and has developed a new Model of Care which includes equipment, telecare and telehealth as forms of early intervention to reduce client needs at an early stage and avoid crisis. The equipment contract is a pooled arrangement with health and delivers across Croydon with an annual spend of over £3m, of which £1m is recouped through reconditioning and recycling of equipment. Telecare is a well used intervention which often supports people with early stage dementia to remain safely in their own homes for longer, through use of sensors and a call centre.

In year 1 (2016/17), the Provider Alliance aims to plan and commence the delivery of five key initiatives:

- Development of Multidisciplinary Community Networks;
- Development of 'My Life' plan;
- Establishment of Personal Independence Coordinators;

- Single Point of Access and Information;
- Integrated Independent Living Service.

Careline, the Council's pendant alarm system provides a response service and provides peace of mind and a quick response either by telephone or in person when someone has had a fall or has other concerns. The service supports over 3,500 people in Croydon.

A Falls service has been re-designed with health and includes a handyman service, an osteoporosis clinic, and a fracture clinic. It links with a service commissioned by Public Health which is provided by the Voluntary Sector to improve health, nutrition and wellbeing for older people, it includes classes delivered in some of the more deprived areas of Croydon.

As the digital world moves on many residents may feel left behind by both family and friends having a real impact on their ability to retain independence. As part of an approach to reduce social isolation we have partnered with Visbuzz and Sentab to pilot video calling with residents by giving them either a simple touch screen tablet and or a link through digital TV to allow users to stay in contact with a family or friend online. Sentab works through TV and the remote control to provide video calling, alongside options for local communities network and to send information and advice or reminders to users. We are specifically targeting elderly residents in New Addington, Fieldway and Longheath to grow the community aspects and offer residents the ability to connect with each other in a digital way. Visbuzz is a low-cost, low maintenance tablets for people to 'see' families and friends via video call meaning that users are not overwhelmed by the technology. It gives them reassurance that it is safe and secure and introduces them to digital technology giving them new skills. Our users are a mix of elderly carers, early stage dementia patients and re-ablement, who have community champions to set up and support them with the tablet.

The pilots will run for a year when we will evaluate their effectiveness and assess how viable they are and whether they can be brought in to the model of social care more formally. Five other London Boroughs are piloting Visbuzz and Croydon is the first to partner with Sentab.

INDEPENDENCE – Safeguarding

Outcome	How we will measure success?	Performance 2014/15	Target 2015/16	Performance 2015/16	RAG	Compared to
To protect children & vulnerable adults from harm and exploitation	Acceptable waiting times for adult social care assessments: For new clients, the percentage from where the time from first contact to completion of assessment is less than 35 days	85.1%	85%	89.4%	Target exceeded, (G)	Local measure – no comparable data available
	Percentage of concluded adult safeguarding investigations where action resulted in risk reduction or removal	New	75%	85.21% (March 2015)	Target exceeded (G)	Local measure – no comparable data available
	% of Child in Need assessments carried out within required timescales (45 days)	67%	80%	67%	Target not met (R)	Local measure – no comparable data available
	Average time between a child entering care and moving in with adoptive family (days)	674	650	1073	Target not met (R)	Period 2012-15 England: average 593 days London average: 618 days
	The number of Looked After Children (LAC) cases per 10,000 children within the borough	82.98	83.91	84.43	Target not met, (A)	England 60 (2013/14) Stat. neighbours 60.9 (2013/14) (R)
	The number of Child Protection Plan (CPP) cases per 10,000 children within the borough	39.8	38.3	39.7	Target not met, (A)	England 42.1 (2013/14) Stat. neighbours 38.3 (2013/14) (G)
	Stability of % of children looked after (living with a family for two out of the last two and a half years)	TBC	75%	64.4%	Target not met (R)	England average 68% (A)

	Percentage of audits of children's social care case files where the case is rated as good or better	52%	52%	49% (invalidated)	TBC Awaiting verification of figure	Local measure – no comparable data available
--	---	------------	-----	-----------------------------	--	--

INDEPENDENCE - safeguarding

Protecting children and vulnerable adults from abuse, harm and exploitation is of paramount importance and remains at the top of the national agenda with changes in legislation and reforms to the inspection framework which place clear responsibilities on Councils to keep people safe. Working with our partners to ensure the children and vulnerable adults of Croydon are protected remains high on the council's agenda.

The Council is currently working on many aspects of safeguarding adults to address needs and risk and the Triage system has now been introduced with increased staff resources improving its effectiveness and exceeding the target set for 2015-16. We are currently researching and training on the topics of fraud, scams and financial abuse. Closer working with the CCG ensures a shared intelligence system and joint market management.

Croydon's Adult Safeguarding Teams are working to ensure that Croydon's practice is Care Act compliant including embedding knowledge and practice around the new categories of abuse and that safeguarding follows a "Making Safeguarding Personal" agenda where the client is at the centre of their own case and are involved in their own safeguarding actions.

Children's safeguarding has a much wider remit than the functions provided by Children's Social Care, which carries out particular functions regarding Child Protection services and Children Looked After services.

Timeliness of children's social care assessments became an issue in summer 2015 due to increased demand; the service was reconfigured in autumn 2015 and since then the timeliness of these assessments has improved.

The number of looked after children as a proportion of the population is high due to the number of Unaccompanied Asylum Seeking Children in Croydon. In 2014/15 the number of local CLA fell by 9% and the overall numbers have remained at broadly the same level in 2015/16. Our placement stability for looked after children (% with 3 or more placements in a year) is currently above the national average at 8% and in the top quartile, which is a consistent improvement from 13% in 2013, and 9% in 2014.

The performance outcome for our the average time between a child entering care and moving in with and adoptive family , is as a result of a family of six siblings having their adoption finalised within the period. It was difficult to find a place for all six siblings together so, unsurprisingly, the process took longer for this family. If we remove these siblings from the figures, the average number of days is 647 which was within the 650 day target.

Recruitment of suitable qualified and experienced social workers remains a regional challenge. However, there have been three major recruitment campaigns in the past year and this has led to a greater level of permanent employees.

INDEPENDENCE – Tackling the cost of living

Outcome	How we will measure success?	Performance 2014/15	Target 2015/16	Performance 2015/16	RAG	Compared to
To help families and individuals to be more financially resilient and live affordable lives	Percentage of Job seekers allowance claimants (as a proportion of the resident population aged 16-64 - working age population)	1.9%	Aim to reduce from 1.9%	2%	Target not met (A)	London 1.9% (A)
	The percentage of households in Croydon receiving Housing benefit	NA	2015 data will provide the benchmark	22.5%	NA	Local measure - no comparable data available
	The percentage of households in Croydon receiving Council tax support	NA	2015 data will provide the benchmark	20.8%	NA	Local measure - no comparable data available
	Number of households engaged with welfare teams who are being provided with debt / budgetary advice)	NA	3204	3501	Target exceeded (G)	Local measure - no comparable data available
	Number of families supported through the discretionary housing payments)	NA	1350	1579	Target exceeded (G)	Local measure - no comparable data available
	Number of families supported through the Croydon discretionary scheme)	NA	1000	1150	Target exceeded (G)	Local measure - no comparable data available
	Rate of child poverty (the proportion of children aged under 16 living in low income families)	TBC (August 2012)	23%	21.8% (August 2013)	Target exceeded (G)	London average 21.8% (G)
	% of people working for the council who are paid the London Living Wage	NA	100%	100%	Target achieved (G)	Local measure - no comparable data available

	Affordability of private rent – median monthly private sector rent as a percentage of the median gross monthly salary)	NA	2014 data will provide the benchmark	45.51% (2014)	NA	Of the London boroughs Lowest 40.39% Highest 78.30%
--	--	----	--------------------------------------	------------------	----	---

INDEPENDENCE - tackling the cost of living

The economic downturn, changes in welfare benefits and tax credits have reduced the disposable income of the poorest. A third of Croydon residents are struggling financially. Helping families and individuals to become more financially resilient and live affordable lives requires a broad range of interventions to promote meaningful and long term employment and reduce the overall cost of living.

To assist residents in redressing the multitude of financial challenges they may face, the council set up the Gateway & Welfare division in April 2015, this is the country's first combined local authority department designed to tackle housing, welfare, debt management and social care assessment. The results so far are incredibly encouraging. We have helped over 1,100 of Croydon's most severely affected families avoid homelessness, 5,400 people to become more financially independent and supported 587 residents into employment, resulting in contributions of £3.3m to the nation's finances via income tax and National Insurance. Gateway works by first identifying residents most at risk of homelessness - people who have needed our help before, or the unemployed visiting the local JobCentre Plus. We have trained hundreds of internal and JobCentre Plus staff to identify the most vulnerable families to ensure they receive the right support, and allocating a dedicated adviser to look at the household finances, from housing issues and benefit entitlements to debt management and careers advice. The Gateway approach ensures that issues are resolved faster, therefore preventing people from slipping into homelessness, offering them financial breathing space by maximising their income, and boosting their confidence, job prospects and skills to be more financially independent.

To tackle the issue of low pay the Council implemented the London Living Wage (LLW) for its directly employed workforce and received accreditation as a LLW employer. In order to implement the requirements to pay LLW across Croydon we are, where possible, applying this criteria to existing contractual arrangements and future commissioning. The Council's supply chains have been given time frames and targets to encourage LLW and this should be implemented over the next two years. Conversations with business and business leaders are ongoing and many have been encouraged to consider LLW as it makes strong business sense to nurture and develop a sustainable employee place.

INDEPENDENCE – Domestic violence and sexual exploitation

Outcome	How we will measure success?	Performance 2014/15	Target 2015/16	Performance 2015/16	RAG	Compared to
To prevent domestic and sexual violence where possible support victims and hold perpetrators to accounts	Percentage of domestic violence sanction detections	33%	No target set (police measure)	29%	Performing slightly below previous year	No comparable data available
	Number of cases of domestic abuse referred to the Multi Agency Risk Assessment Conference (MARAC)	TBC	354	448	Target exceeded (G)	No comparable data available

INDEPENDENCE - domestic violence and sexual exploitation

Domestic Abuse and Sexual Violence (DASV) affects one in four women and one in six men in their lifetime but remains vastly under reported.

Domestic abuse and sexual violence is a major priority for the Council and in December 2014 the Cabinet agreed an ambitious Domestic Abuse and Sexual Violence Strategy 2015-18. The Local Strategic Partnership also gives a high profile to this issue, its Congress meeting in June 2015 focussed on Domestic Abuse and Sexual Violence, which was attended by 170 partners who were asked to pledge their support to changing attitudes and beliefs to Domestic abuse and growing a community based response.

A Domestic Abuse Staff Policy which applies to all Council employees was launched in March 2015. This sets out the support that the council will give to its staff who have been affected by domestic abuse. The Family Justice Centre is an integral part of DASV services in Croydon. The centre provides immediate support to victims of domestic abuse and a range of support services in a single place. The MARAC supports our 'Team around the Family' approach to safety planning, and victims are able to access emergency housing and other services. This approach also supports the gathering of evidence to enable the police to prosecute the perpetrators of DASV, while Independent Domestic Advocacy Services support the victims through court proceedings.

As part of the Council's overall work regarding Domestic Abuse, we established the Caring Dads programme in partnership with Probation, working with fathers who are primarily perpetrators of domestic violence. The evaluation of the project has demonstrated some positive outcomes. A specialist post for Domestic Abuse has been introduced in the Children in Need Service.

Child Sexual Exploitation (CSE)

Over the past year we have significantly upgraded our strategic and operational capacity to address CSE, including more effective multi-agency working in preventing and responding to missing children who can be particularly vulnerable to CSE.

The Council has been part of a number of ground breaking operations with the Metropolitan Police and voluntary organisations on CSE. As a result of this work we now have more robust intelligence gathering process allowing officers to identify local 'hot spots' and specific perpetrators. The Council has been working with the Police and the National Crime Agency to profile the development of this good practice at a national conference. In November 2015, the Leader of the Council used a Local Strategic Partnership Congress meeting in November 2015 to strengthen the profile of child sexual exploitation with the local community.

LIVEABILITY – Cleaner and greener

Outcome	How we will measure success?	Performance 2014/15	Target 2015/16	Performance 2015/16	RAG	Compared to
To create a place that communities are proud of and want to look after as their neighbourhood	The percentage of household waste arising which have been sent by the Authority for reuse, recycling, composting or treatment by anaerobic digestion.	44%	45%	32.98% (Dec 2015 YTD) End of year outturn due end June	Currently below target (R)	London 33.9% England 43.50% (A)
	The percentage of fly-tips removed within the specified time frame (48 hours)	82.57%	80%	75.28%	Target not met (A)	No comparable data available
	The percentage of fly tip reports made electronically (App and My Croydon)	NA	80%	77.5%	Target not met (A)	No comparable data available
	The number of fixed penalty notices issued by the council for incorrect disposal of rubbish	657	1000	1100	Target exceeded (G)	No comparable data available

LIVEABILITY - cleaner and greener

The council's enforcement policy was agreed at Cabinet in March 2015 to ensure clean streets and public places are maintained as they play an important part in making people feel proud of and at ease in their neighbourhoods. Our aim is to develop strong and thriving communities by working with residents and partners and through the Council's 'Eyes and Ears' approach which will enable multi-skilled operatives and teams to better respond to environmental issues and Anti-Social Behaviour (ASB). This together with the recent introduction of the 'village' approach for refuse collection and recycling will ensure that the Council continues to make visible improvements within the borough so it is safer and cleaner for residents and visitors. In addition these changes will reduce service costs through better coordination and integration of our enforcement services supported by improved ICT.

The Council's 'Clean & Green' initiative is committed to making Croydon the cleanest and greenest borough in London. The 'Don't mess with Croydon' campaign launched in July 2014 has increased enforcement action through the courts helping to highlight the issues caused by littering and fly tipping and tough penalties have been imposed on offenders from fixed penalty notices to prosecution through the courts – there has been a total of 1100 Fixed Penalty Notices issued and 73 prosecutions since the start of the campaign to the end of May 2016. Enforcement action has

also included the crushing of two offenders vehicles, with a further two having been seized. The Council has also in addition in partnership with Veolia, adopted a 'clear all' policy to ensure that fly-tips are removed as quickly as possible and as a result clearance rates have improved significantly since the start of the campaign. Fly-tipping for 2015-16 was 54% higher than the previous year and significantly above target. There will be a stronger focus on enforcement action alongside speedy removal. In order to address these issues a pilot that will cut fly-tipping and boost recycling by targeting waste dumped on shopfront pavements launched in March 2015 will be expanded. Introduced as part of the council's [Don't Mess with Croydon – Take Pride](#) clampdown, the new policy came in response to reports that shop owners and residents in the flats above them were leaving waste on the pavement which encouraged fly-tippers and made the businesses less attractive to customers. By August 2016, over 1,800 shop owners and residents from West Croydon station to just north of Norbury station will face a fine if they leave their rubbish on the pavement for collection on non-collection days.

The use of new, easy to use, electronic channels such as the Croydon App and 'my account' has seen an increase in the number of fly-tips reported using this method of contact was introduced. The campaign has also supported the development of strong and thriving communities by working with our residents, with some 302 community champions recruited and 81 community clear-up events taken place during April 2015 to May this year.

The council continues to promote the 'Don't mess with Croydon' campaign and take action to tackle fly tip hot spots through education, enforcement and making it easier for residents to report incidents and take part in community clean-ups. This includes the improvement of recycling facilities in flats and areas where they were previously limited, getting owners of 'eyesore' front gardens to tidy them up and a range of multi-agency enforcement led operations focussing on tackling fly-tip hot spots and frequent offenders using the full range of interventions including prosecution through the courts and signing up all shops and businesses to ensure that commercial waste is disposed of responsibly. The Council will also be rolling out the village approach for street cleansing to ensure resources are focused on areas with the highest need.

LIVEABILITY – Policing and crime

Outcome	How we will measure success?	Performance 2014/15	Target 2015/16	Performance 2015/16	RAG	Compared to
To create a place where people feel safe and are safe	Crime indicators as defined by MOPAC (rolling 12 month performance)					
	Burglary	3365 (rolling at September 2014)	3612 (Feb 2016)	2699 (rolling at Feb 2016)	-40% against base line (March 2012) (G)	London – all MOPAC 7 offences are -18.7% against the baseline year compared to 18 forces during the last quarter
	Criminal damage	2764 (rolling at September 2014)	2850 (Feb 2016)	3153 (rolling at Feb 2016)	-11% against base line (March 2012) (G)	London – all MOPAC 7 offences are -18.7% against the baseline year compared to 18 forces during the last quarter
	Theft of motor vehicles	728 (rolling at September 2014)	796 (Feb 2016)	919 (rolling at Feb 2016)	-7.6% against base line (March 2012) (G)	London – all MOPAC 7 offences are -18.7% against the baseline year compared to 18 forces during the last quarter
	Theft from motor vehicles	2249 (rolling at September 2014)	2309 (Feb 2016)	2009 (rolling at Feb 2016)	-30% against base line (March 2012) (G)	London – all MOPAC 7 offences are -18.7% against the baseline year compared to 18 forces during the last quarter
	Robbery	1065 (rolling at September 2014)	1475 (Feb 2016)	748 (rolling at Feb 2016)	-59% against base line (March 2012) (G)	London – all MOPAC 7 offences are -18.7% against the baseline year compared to 18 forces during the last quarter
	Violence with injury	3073 (rolling at September 2014)	2253 (Feb 2016)	3424 (rolling at Feb 2016)	22% against base line (March 2012) (R)	London – all MOPAC 7 offences are -18.7% against the baseline year compared to 18 forces during the last quarter
	Theft from a person	621 (rolling at September 2014)	639 (Feb 2016)	526 (rolling at Feb 2016)	-34% against base line (March 2012)	London – all MOPAC 7 offences are -18.7% against the baseline

					(G)	year compared to 18 forces during the last quarter
Incidence of antisocial behaviour	9441	To reduce the demand	8118 (rolling at Feb 2016)	-20% on same period last year (12 month rolling average) (G)	No comparable data available	
Resident confidence in Policing	TBC	66%	57% (Dec 2015)	Currently under target (R)	No comparable data available	
How safe people feel in Croydon	72% (December 2014)	72%	77% (December 2015)	Target met, better than previously reported year (G)	No comparable data available	
How people rate the overall level of crime in Croydon today compared with the overall level one year ago	68.5% (December 2014)	68.5%	73% (December 2015)	Target met, better than previously reported year (G)	No comparable data available	

LIVEABILITY - policing and crime

Feeling safe is an indispensable element of a good quality of life and an essential requirement for our residents and those who want to visit and work in Croydon. Nationally, violent crime, which is committed mainly by adolescents and young adults, is a serious and increasing problem. There are many drivers for violent crime, such as alcohol, drugs and gangs. Overall, Croydon has achieved a 21.4% reduction against the MOPAC 7 targets (20% reduction). Performance figures for February 2016 show a significant reduction in burglary of 40%, assisted by sharing intelligence and a problem solving multi-agency approach. Theft from motor vehicles figures also show good progress with a 30% reduction. Operation Vallance has assisted in this through targeted patrolling of key areas and various decoy operations. Excellent results are also shown in figures for robbery (59.6% reduction) and theft from a person (34 % reduction). To be update with March release

Less positively, figures show an increase in criminal damage, vehicle thefts and violence with injury (up by 22%). The increase in criminal damage presents a particular challenge as even minor incidents are reported to obtain a crime number for insurance purposes. Violence with Injury is high across all London Boroughs but a good reduction of offences has been achieved in the Town Centre which historically has been a hotspot for this type of offence.

Improving the safety of children and young people by reducing serious youth violence, robbery and knife crime and gang violence through early

intervention and prevention measures remains a priority. Croydon Youth Council has surveyed 831 young people and crime and safety came back as the top issue. As a result they have created a video to tackle stereotypes faced by young people. The youth council are due to meet with Croydon Safeguarding Children Board on 30th November to report on their work and discuss how young peoples' views can influence the work of the board commander

Reported incidents of ASB have continued to reduce with 8118 reports in March compared to 10122 for same period last year. The 12 month rolling average is down by 20% on the previous year. Targeting and support for those calling regularly to report ASB has had an impact on reduction. Safer Croydon will continue to develop their approach to ASB enforcement making full use of legislation and housing management interventions in order to address problems as they arise. Several well publicised flats have been closed due to ASB and drug dealing and work to implement a Public Space Protection Order in the Town Centre is underway as is work to improve the alignment of the police and council ASB assessment and recording systems to better identify and manage risk. Croydon has also recently been established as a Local Alcohol Action Area (LAAA). This one year LAAA programme is an opportunity to work with national colleagues within the Home Office and Public Health England to coordinate Croydon's multi-agency approach to tackling the harmful effects of excessive drinking. The LAAA programme has three aims: reducing alcohol-related health harm, reducing alcohol-related crime and influencing the diversification of the night-time economy.

Increasing awareness of the role and work undertaken by the police and council in tackling crime and ASB is perceived as key to improving public confidence. This is particularly important with respect to Neighbourhood Policing and understanding the role of the local council. The council will continue to improve its presence on the Safer Croydon web pages and include information on how individuals can help protect themselves and their families.

Perception of crime in the borough is important and during 2014/15 we introduced an annual fear of crime survey. Between November 2015 and March 2016 residents were asked if they feel safe in Croydon. Of the 1029 (an increase on last years 727 replies), 16% felt very safe, 44% fairly safe and 16% felt neither safe or unsafe, 16% fairly unsafe and 7% very unsafe. Respondents were asked if they thought crime levels had changed when compared to the past year, 915 respondents answered the question with 10% saying levels were much greater, 20% slightly greater, 44% about the same and, 10% slightly lower and 2% much lower. 'A Pride in Croydon' action plan has been developed to improve perceptions of the Borough. Activity underway to help people feel safer includes publishing good news, use of social media, reviewing website content and joint community walkabouts. The annual fear of crime survey was launched in December 2015 so we will be able to track trends and use the data to inform future plans in the new financial year.

LIVEABILITY – Roads, transport and streets

Outcome	How we will measure success?	Performance 2014/15	Target 2015/16	Performance 2015/16	RAG	Compared to
To build a place that is easy and safe for all to get to and move around in	Road Casualties (3 year rolling average)	1,154 (3 year rolling average)	1069	1,115 (2013- 2015 - 3 year rolling average)	Target not met, better than previous year (A)	No comparable data available
	Percentage of the local authority's principal roads (A-road and M-road network) where maintenance should be considered	9% (2012/13)	5%	6% (2014/15)	Target exceeded (G)	London 5% (G)
	Percentage of the local authority's principal roads (B-road and C-road network) where maintenance should be considered	13% (2012/13)	6%	7% (2014/15)	Target exceeded (G)	London 9% (G)
	Number of linear metres of cycle lane implemented during the year (including new & upgraded on-carriageway routes and new greenway/quiet ways)	NA	200 metres (Annual)	40 (September 2015 YTD)	Currently on target (YTD) (G)	No comparable data available
	Percentage of borough roads (% of total road length) where 20mph limits have been introduced	NA	NA	NA – delivery across 2016-18	NA	No comparable data available
	The % of street lights currently in light	99.1%	99%	99.68%	Target exceeded (G)	No comparable data available
	New M2 of road resurfaced during the year	NA	124,000sqm	137,636sqm	Target exceeded (G)	No comparable data available
	Proportion of journeys starting in Croydon made by sustainable means (walking or cycling)	NA	TBC	29% walking or cycling (2011- 2014)	NA	London 35% (R)
	Road congestion – crude average vehicle speeds (mph) on Croydon A roads during weekday morning peak	NA	2015/16 data will provide the benchmark	14.9 mph	NA	No comparable data available

LIVEABILITY - roads, transport and streets

Good transport connections are important for enabling Croydon to fulfil its potential as South London's economic hub. Croydon is well connected, however parts of its extensive tram and train network are nearing capacity and are in need of expansion. In order to continue improving the transport network across the borough, the council placed a £556,000 bid for Local Implementation Plan funding for 2016-17 which was successful. We are currently implementing road safety measures across the borough including junction improvements, casualty prevention schemes, speed indicator signs and road safety education. The bid also includes measures to improve and promote walking and cycling including new greenways, principle highways and parking, and pedestrian footways and crossing improvements.

Our recently published Transport Vision, agreed by Cabinet in March 2015, sets out the Council's agenda for a new era of movement in, and around the borough, focusing on the needs of Croydon's current and future residents, businesses and visitors. Safe walking and cycling are at its heart and are critical to tackling the transport challenges Croydon faces. In line with this Transport Vision, the council is rolling out a programme introducing area wide 20mph speed limits across the borough in order to improve road safety and encourage cycling. Implementation of the first scheme is underway in North Croydon and resident feedback has showed support for the scheme on roads in South Norwood, Selhurst, Bensham Manor, Thornton Health and Upper Norwood. The programme will be delivered through a three year phased implementation (2016-2018) on an area by area basis following consultation with residents and businesses across five areas. The speed limit is to be implemented in Area 1. Residents and businesses in Area 2 were consulted earlier this year and as a result of a positive outcome to that process, the council recently announced its intention to proceed to the formal statutory process – the necessary next step to introducing a 20mph speed limit in this area.

The Croydon and Lewisham street lighting replacement programme is currently working across both boroughs; the programme is a five year plan. The programme has been technically challenging due to the complexity of the underground power cable network. Across the boroughs 74% of lights have been replaced. The programme is expected to be completed in early 2017.

The Connected Croydon programme has already delivered nearly 9,500M2 of footway and carriage way improvements in the first half of the year around east and west Croydon helping transform the public realm at these major entry points to the metropolitan centre improving facilities for both pedestrians and road users. A new cycle hub and Brompton Bike Hire dock was also opened in Croydon's town centre, providing free covered cycle parking for 80 bikes, a cycle work station for carrying out small repairs and eight folding bikes for hire.

The Council has set up Play Streets in Croydon to get more people active, have fun and build stronger communities. The scheme is supported by charity London Play, it encourages children to play together and residents can get out and talk to each other. Applications from residents to join the scheme continue to increase.

As part of the Council's Local Implementation Plan spending submission for 2016-17 the Council has proposed for a number of physical measures to enhance cycling including Greenways connecting to and through parks plus other new cycle routes including the development of Principal Cycle Highways and on- street cycle parking. Further funding will also be made available for a programme of cycle training for both children and adults, to gain safe cycling skills, develop expertise and gain confidence.

LIVEABILITY - sport

Outcome	How we will measure success?	Performance 2014/15	Target 2015/16	Performance 2015/16	RAG	Compared to
To improve wellbeing across all communities through sport and physical activity	Number of people participating in sports and leisure activities at Leisure centres (all groups)	856,161	784, 814 (Feb YTD)	797,149 (Feb 2016 YTD)	Currently exceeding target (G)	No comparable data available
	% Adults (aged 16+) participating in sport & active recreation for at least 30 minutes in the previous 28 days	34.8% (2013-14)	No target set by Sports England	34.3% (2014-15)	Slightly below previous year	Regional 38% National 35.8% (A)
	Number of community sports clubs	NA	2015/16 data will provide the benchmark	296	NA	No comparable data available

LIVEABILITY - sport

We want to promote and support participation in sport for both health and recreational purposes. Efforts to increase participation for key groups included the reinstatement of free swimming, funded by the council and available for young people aged 16 and under and for the over 60's for a six weeks period in line with school summer holidays in 2015. Table Tennis England installed 16 ping-pong tables with equipment across the borough to encourage residents, workers and visitors to play impromptu matches as part of the nationwide Ping! Festival. The tables will remain installed in parks and estates on a permanent basis or donated to organisations for the benefit of the community.

In April 2015, the newly refurbished Monks Hill sports centre, which is managed by the Council, was opened. The centre provides a sports hall, gymnasium, artificial pitch, and multi-use games area to local residents and groups during out of school hours. Improvements and new management have brought about an increase in the use of this facility and additional income to the Council. In addition, Purley Leisure Centre is to remain open in the short term in response to residents' concerns and to enable time for redevelopment plans to be proposed. Work has commenced on re-commissioning the management of council owned leisure centres. The existing contract expires on 31 October 2017. Plans for the new leisure facility in New Addington were launched in February 2016. Proposals for the new leisure centre – in addition to a 25-metre, six-lane main swimming pool – include a learning pool and spectator seating. Other facilities in the complex could include a café, fitness suite, sport hall, crèche and studios.

The Football Association in partnership with Sport England, the Premier League and DCMS are responsible for delivering 'Parklife' which is designed to deliver football led sports hubs across the country in partnership with local councils. The Council has the option of developing a bid for one of these hubs which are modern purpose built facilities equipped with grass and artificial grass pitches, which although predominantly football focused can also cater for other sports. The Council is currently undertaking a playing pitch needs assessment which will help determine current and future need for sports pitches across the borough. This work could be used to support a bid for funding through Parklife.

LIVEABILITY – Parks and open spaces

Outcomes	How we will measure success?	Performance 2014/15	Target 2015/16	Performance 2015/16	Target exceeded	Compared to
To make parks & open spaces a cultural resource	Number of events held in parks (including community, charity & commercial)	88	Improve on 2014/15 outturn (88)	99 (currently being verified)	Target exceeded (G)	No comparable data available
	Number of Friends and Conservation groups who are involved in their local park	32	Improve on 2014/15 outturn (32)	38	Target exceeded (G)	No comparable data available

LIVEABILITY - parks and open spaces

Croydon is the greenest borough in London with over 300 parks and open spaces and we have used these as cultural hotspots and sites for community sport and physical activity parks and open spaces. The Council continues to identify opportunities to increase community involvement in our parks and, there have been a total of 99 community, charity and commercial events held in parks this year. We will be reviewing our parks and open spaces in the coming months to make the most of the opportunities for greater community use and potential for improving health and wellbeing.

We are committed to delivering an annual summer festival and this year saw the successful launch of the Ambition Festival held in July 2015, providing four days of music, comedy, theatre, spoken word, dance and art, using around 30 venues and performance spaces. Alongside main shows at the Fairfield Halls, entertainment was staged in smaller venues such as pubs and halls, as well as at Croydon Minster. Outdoor events included stages in North End, Mint Walk, Queens Gardens, Fairfield Gardens and at Platform by East Croydon station. The festival has been nominated for two UK Festival Awards, in the categories of best new festival and best metropolitan festival.

Working with our community to create a Parks and open Spaces programme, the Council has a friends of parks group which is made up of local people with an interest in their park of wildlife and who take practical action to improve the area or investigate and advise on environmental issues. Participants can carry out practical conservation work or be the eyes and ears of park reporting damages. The group are consulted on group and open space management and development issues. Eight of Croydon's open spaces have retained green flag status won last year for high standards of horticulture, cleanliness, sustainability and community involvement.

ENABLING CORE – Finance

Outcome	How we will measure success?	Performance 2014/15	Target 2015/16	Performance 2015/16	RAG	Compared to
To be innovative and enterprising in using available resources to change lives for the better	Variance from Revenue Budget after recovery plans (£M)	£0.925m	£0.00	(£1.389m)	Target met (G)	No comparable data available
	% Council tax collected	96.48%	96.76%	96.45%	Target not met (A)	No comparable data available
	% Non-domestic rates collected (NNDR)	98.38%	98.75%	97.74%	Target not met (A)	No comparable data available
	Percentage of agency workers	11.8%	10%	11.08%	Target not met (A)	No comparable data available
	Progress with Corporate Plan Outcomes 2015/18 (success of performance measures)	NA	2015/16 baseline	Met – 52% Almost met – 32%	NA	No comparable data available
	Net cost per m2 of Council asset base (main corporate offices)	NA	2015/16 data will provide the benchmark	£198	NA	No comparable data available
	Percentage of frontline staff to enabling staff within the council	NA New	60/40 (frontline/enabling)	59.23% frontline 40.77% enabling	Target met (G)	No comparable data available
	Cash collection rate for housing rent	TBC	98.2%	98%	Target not met (A)	No comparable data available

ENABLING CORE- finance

Over the past four years the Council has experienced an unprecedented 32% reduction in central government grant funding as part of the national

deficit reduction plan. Over this period we have delivered over £100m in efficiency savings and cuts. Funding and grant reductions on a similar scale are expected from national government over the next four years, and the council faces rising demand for its services.

The delivery of the 2015/16 budget was hugely challenging. The council saw further cuts to various grants since our budget was set and continued to experience huge demands, in particular to services in the People department. In order to reduce the predicted overspend, a number of actions were agreed including, a Council wide voluntary severance programme, a review of all our fees and charges, further governance on high cost adult social care placements and a review of the top 50 high cost families.

The Council has well developed contract management arrangements in relation to the agency contract. In the past year, due to the major restructure of business support, we incurred a higher level of agency spend in this area. This prevented additional redundancy costs as new processes were introduced and overall resource requirements reduced, resulting in significant savings. In addition, we used the agency contract to deliver the transformation programme, which is significantly cheaper than using consultancy services. A Council-wide recruitment freeze was implemented, including agency staff, as well as all agency staff who had been with the Council over 12 months, with exceptions granted in relation to the maintenance of statutory services and where they were supporting the delivery of savings.

Whilst the target has not been met by 0.03%, year-end performance for the amount of council tax collected is the second best on record and once rounded to 1 decimal place, as reported nationally, is equal to last year, the best on record. While the % collected is below target, overall cash collection is up by £3.5 million as a result of increasing the debit by £3.7 million (through the addition of new properties and proactive review of discounts and exemptions). Furthermore, last year's figure included the £25 efficiency dividend for every customer - which equated to £3.2 million, taking this into consideration, the actual collection equates to an additional £6.7 million in comparison to 2014-15.

ENABLING CORE – Fairness and equality

Outcome	How we will measure success?
To drive fairness for all communities, people and places	The equality objectives will be reported on for the year 2016/17.

ENABLING CORE - fairness and equality

The Council set up an independent Opportunity and Fairness Commission (OFC). The OFC is independent comprising 13 commissioners and in January 2016 delivered a report on how Croydon can become a place of greater opportunity and fairness. The role of the OFC was one of independent scrutiny and challenge to the Council and the Croydon LSP on issues of inequality and exclusion in the borough. The OFC gathered evidence on inequality and fairness in the borough through robust engagement with residents and local communities. The Council's statutory equality objectives are set out in its Opportunity and Fairness Plan 2016-20 and agreed by Cabinet in April 2016. They are derived from the final report of Croydon's independent Opportunity and Fairness Commission. The equality objectives have been embedded in the Corporate Plan performance framework, Ambitious for Croydon, will be reported on for the year 2016/17.

ENABLING CORE – Open and accountable

Outcome	How we will measure success?	Performance 2014/15	Target 2015/16	Performance 2015/16	RAG	Compared to
To be open and transparent and put communities at the heart of decision making	Percentage of FOI requests responded to within 20 days	72.39%	90%	86.31%	Target not met (A)	No comparative data available
	The percentage of customer complaints escalating to Stage 2 of the council's formal complaints process	10.62%	10%	9%	Target exceeded (G)	No comparative data available
	The number of complaints received by the Information Commissioners office that are upheld (where regulatory action is taken)	NA	2015/16 data will provide the benchmark	4	NA	No comparative data available

ENABLING CORE - open and accountable

Responsiveness to requests for FOI's has improved this year to 86.31% of requests being answered on time. Although this is below the current target, this still represents a huge improvement when compared to 2014/15 when 72.39% were responded to on time.

The volume of corporate Stage one and stage two complaints as well as Ombudsman complaints have increased this year as a consequence of work to make contacting the council easier for our customers and that of reduced resource meaning there has been a delay in responding to customers or not providing the desired response. Despite ongoing increases in demands with constraints on resources, performance in both complaints and FOI's have shown improvement. The corporate team continues to work with colleagues across the organisation on an ongoing basis to develop opportunities from customer feedback.

ENABLING CORE – Digital and Enabling

Outcome	How we will measure success?	Performance 2014/15	Target 2015/16	Performance 2015/16	RAG	Compared to
To be digital by design in meeting the needs of local people	The number of transactions completed through 'My Account'	NA	200,000	213,667	Target exceeded (G)	No comparative data available
	The number of customers who have moved to my account (self-serve) as a method of contact.	NA	40,000	76,648	Target exceeded (G)	No comparative data available

ENABLING CORE – digital and enabling

To make the best use of reduced resources and improve service access we are applying digital solutions across a large number of council services. It is important for residents and local businesses to be able to access on-line services for their wider benefit as recent studies outline the financial and social benefits of being on-line. Our approach therefore supports those without digital skills to access appropriate support and this is very much being driven through the GO ON Croydon initiative that was launched in November 2015 and is the first of its kind in London. A new digital zone has been launched in Access Croydon as part of this work to provide training and signposting.

My Account was launched in July 2013, this year we had 150,000 customers online, exceeding our year-end target and up on previous years efforts. We have also channel shifted over 250,000 transactions on line making digital account for approximately 14% of our overall contact. Our service plans for digital estimated we will increase our transactions to 25% in 16-17. We introduced web chat in 2015-16 and the pilot quickly showed that web chat prevented calls to the contact centre in 80% of the cases. It also quickly showed that customers were satisfied with this new channel in 97% of the cases. We are rolling out web chat across a number of new Digital and Enabling initiatives

RAG Status key

RED (R)	<ul style="list-style-type: none">• Performance has not met target by in excess of 10%• Where performance differs from comparators by 10% or more
AMBER (A)	<ul style="list-style-type: none">• Performance has not met target but is within 10% of target• Where performance matches one or more comparator within 10%
GREEN (G)	<ul style="list-style-type: none">• Performance has met, or exceeds target• Performance has matched one or more comparators
YTD	<ul style="list-style-type: none">• Year to Date – current performance

Dept.	Area	Outcome	Measure	Polarity	Target 2015/16	Proposed target 2016/17
Place	Liveability	Roads, transport and streets	Percentage of the local authority's principal roads (A-road and M-road network) where maintenance should be considered	Lower is better	5%	5%
Place	Liveability	Roads, transport and streets	Percentage of the local authority's principal roads (B-road and C-road network) where maintenance should be considered	Lower is better	6%	5%
Place	Liveability	Roads, transport and streets	Number of linear metres of cycle lane implemented during the year (including new & upgraded on-carriageway routes and new greenway/quietways)	Higher is better	200 metres	TBC
Place	Liveability	Roads, transport and streets	The % of street lights currently in light	Higher is better	99%	99%
Place	Liveability	Roads, transport and streets	New M2 of road resurfaced during the year	Higher is better	124,000m2	180000m2
Place	Growth	Housing	Number of market homes started (for sale or rent)	Higher is better	503	1416
Place	Growth	Housing	The % of private rental housing stock licensed through the selective licensing scheme	Higher is better	New	88%
Place	Growth	Housing	Affordable Housing – the number of affordable homes completed (gross)	Higher is better	564	TBC
Place	Growth	Jobs and the economy	The volume M2 of NEW Grade A commercial space delivered within the borough	Higher is better	95,000 m2 by 2031	6333
Place	Liveability	Cleaner and greener	The percentage of household waste arising which have been sent by the Authority for reuse, recycling, composting or treatment by anaerobic digestion.	Higher is better	45%	45%
Place	Liveability	Cleaner and greener	The percentage of fly-tips removed within the specified time frame (48 hours)	Higher is better	80%	80%
Place	Liveability	Cleaner and greener	The % of fly tip reports made electronically (App and My Croydon) (previously reported as no. of)	Higher is better	80%	80%
Place	Liveability	Cleaner and greener	The number of fixed penalty notices issued by the council for incorrect disposal of rubbish	Higher is better	1000	1000
Place	Liveability	Parks and open spaces	Number of Friends and Conservation groups who are involved in their local park (<i>new indicator proposed as 'Positive and Practical Action in Parks - total number of volunteer days'</i>)	Higher is better	New	4,200
Place	Liveability	Roads, transport and streets	% of borough roads (% of total road length) where 20 mph limits have been introduced.	Higher is better	2015/16 data will provide the benchmark	40%
Place	Liveability	Roads, transport and streets	Road congestion - crude average vehicle speeds (mph) on Croydon A roads during weekday morning peak	Higher is better	2015/16 data will provide the benchmark	NA due to change in methodology
Place	Liveability	Sport	Number of people participating in sports and leisure activities at Leisure centres (all groups)	Higher is better	None	Maintain previous performance

Dept.	Area	Outcome	Measure	Polarity	Target 2015/16	Proposed target 2016/17
Place	Liveability	Sport	Number of community sports clubs	Higher is better	2015/16 data will provide the benchmark	296 (awaiting verification of manual count)
People	Independence	Health	% of older people discharged from hospital to their own home achieving independence	Higher is better	88%	88%
People	Independence	Early interventions	The % of service users who find it easy to find information about support	Higher is better	Pending HSCIC 2014/15 outturn confirmation	72%
People	Independence	Early interventions	The percentage of carers who reported that they have as much social contact as they would like	Higher is better	Pending HSCIC 2014/15 benchmarking data release	33%
People	Independence	Early interventions	Percentage of eligible three and four year olds accessing funded early education	Higher is better	88% (2014-15)	89%
People	Independence	Early interventions	Percentage of eligible two year olds accessing funded early education	Higher is better	55% (2014-15)	57%
People	Independence	Early interventions	Number of families who have achieved a Troubled Families Outcome	Higher is better	240 (15/16 only)	572 (2 year rolling)
People	Independence	Early interventions	The % of carers who use services who find it easy to find information about support	Higher is better	Pending HSCIC 2014/15 outturn confirmation	61%
People	Independence	Early interventions	The % of people who use services who reported that they have as much social contact as they would like	Higher is better	Pending HSCIC 2014/15 outturn confirmation	46%
People	Independence	Safeguarding	% of Child in Need assessments carried out within required timescales (45 days)	Higher is better	80%	80%
People	Independence	Safeguarding	Proportion of people who use services who have control over their daily life	Higher is better	Pending completion of benchmarking exercise	75%
People	Independence	Safeguarding	The number of Looked After Children (LAC) cases per 10,000 children within the borough (will need to split between UASC and Non to apply 375)	Lower is better	83.91	82.88
People	Independence	Safeguarding	The number of Child Protection Plan (CPP) cases per 10,000 children within the borough	Lower is better	38.3 in line with statistical neighbours	42.9
People	Independence	Safeguarding	Numbers of new Referrals to MASE Panel per calendar month	Higher is Better	New	15
People	Independence	Safeguarding	EHC plans completed within time scales	Higher is Better	New	TBC
People	Independence	Safeguarding	Stability of Placements - % looked after for at least 2.5 yrs and in same placement for at least 2 yrs	Higher is better	75%	82%
People	Independence	Safeguarding	Acceptable waiting times for adult social care assessments: For new clients, the percentage from where the time from first contact to completion of assessment is less than 35 days	Higher is better	85%	90%
People	Independence	Safeguarding	% of concluded adult safeguarding investigations where action resulted in risk reduction or removal	Higher is better	75%	90%

Dept.	Area	Outcome	Measure	Polarity	Target 2015/16	Proposed target 2016/17
People	Independence	Safeguarding	Average time between a child entering care and moving in with adoptive family (days).	Lower is better	650	625
People	Independence	Safeguarding	Percentage of audits or children's social care case files where the case is rated as good or better	Higher is better	March 2015 baseline	55%
People	Independence	Tackling the cost of living	The % of households in Croydon receiving housing benefits	Lower is better	New	23%
People	Independence	Tackling the cost of living	The % of households in Croydon receiving council tax support	Lower is better	New	21%
People	Independence	Tackling the cost of living	Number of households engaged with welfare teams who are being provided with debt / budgetary advice	Higher is better	3,204	TBC (3501 15/16)
People	Independence	Tackling the cost of living	Number of families supported through discretionary housing payments	Higher is better	1,350	TBC (1579 15/16)
People	Independence	Tackling the cost of living	Number of families supported through the Croydon discretionary scheme.	Higher is better	1,000	TBC (1150 15/16)
People	Growth	Education and learning	Percentage of children at the end of reception year who are judged to be at a good level of development	Higher is better	Aim to match the England average of (68.1)%	66%
People	Growth	Education and learning	% Parents offered one of their top 3 school choices (Primary)	Higher is better	95% (16/17entry)	96% (17/18 entry)
People	Growth	Education and learning	% Parents offered one of their top 3 school choices (Secondary)	Higher is better	93% (16/17 entry)	91% (17/18 entry)
People	Growth	Education and learning	Educational attainment by the age of 19 at Level 2	Higher is better	86%	89% (2015/16 Academic)
People	Growth	Education and learning	Educational attainment by the age of 19 at Level 3	Higher is better	At or above the London average 64%	65% (205/16 Academic)
People	Growth	Education and learning	% of all primary schools given overall effectiveness rating of good or outstanding by Ofsted at most recent inspection	Higher is better	94%	92%
People	Growth	Education and learning	% of all secondary schools given overall effectiveness rating of good or outstanding by Ofsted at the most recent inspection.	Higher is better	76%	82%
People	Growth	Education and learning	% of PRU's given overall effectiveness rating of good or outstanding by Ofsted at the most recent inspection	Higher is better	100%	100%
People	Growth	Education and learning	% of Special schools given overall effectiveness rating of good or outstanding by Ofsted at the most recent inspection	Higher is better	100%	100%
People	Growth	Education and learning	KS2 Reading, Writing and Maths % L4+	Higher is better	79%	79%
People	Growth	Education and learning	%+ GCSE A*-C grade including English and Maths Please note for 2016-17 this measure wil change to Attainment & Progress	Higher is better	62%	60.32% (In line with Outer London)

Dept.	Area	Outcome	Measure	Polarity	Target 2015/16	Proposed target 2016/17
People	Growth	Jobs and the economy	% of young people not in Education, employment or training (NEET)	Lower is better	3.40%	2.8%
People	Growth	Housing	The number of households accepted as homeless under the Housing Act	Lower is better	720	900
People	Growth	Housing	Number of homeless households living in bed & breakfast and self-contained temporary accommodation.	Lower is better	450	650
People	Growth	Housing	Number of families in Bed and Breakfast (B&B) with shared facilities (6 weeks or more)	Lower is better	57	65
People	Growth	Housing	The number of empty properties returned to use	Higher is better	75	100
People	Growth	Culture	The number of cultural events and programmes supported and delivered by the council across the borough representing our community	Higher is better	New measure 2015/16 data will provide the benchmark	TBC
People	Enabling core	Finance	Cash collection rate for housing rent	Higher is better	98.20%	98.5%
Resources	Enabling core	Finance	Variance from Revenue Budget after recovery plans (£M)	Lower is better	£0.00m	1% (either way)
Resources	Enabling core	Finance	% Council tax collected	Higher is better	96.76%	96.75%
Resources	Enabling core	Finance	% Non-domestic rates collected (NNDR)	Higher is better	98.75%	98.75%
Resources	Enabling core	Finance	Percentage of agency workers	Lower is better	10.00%	10.00%
Resources	Enabling core	Finance	Progress with Corporate Plan Outcomes 2015/18	Higher is better	Outcomes delivered by 2018	Outcomes delivered by 2018
Resources	Enabling core	Finance	Percentage of frontline staff to enabling staff within the council	NA	60/40	60/40
Resources	Enabling core	Finance	Net cost per m2 of Council asset base (main corporate offices)	Lower is better	New measure Use March 16 baseline	£198
Resources	Enabling core	Open and accountable	Percentage of FOI requests responded to within 20 days	Higher is better	90%	85%
Resources	Enabling core	Open and accountable	The % of customer complaints escalating to Stage 2 of the council's formal complaints process	Lower is better	10%	10%
Resources	Enabling core	Open and accountable	The number of complaints received by the Information Commissioners office that are upheld (where regulatory action is taken)	Lower is better	2015/16 benchmark	TBC
Resources	Enabling core	Digital and enabling	No of customers who have moved to My Account (self-service) as a method of contact.	Higher is better	200,000	300,000

Dept.	Area	Outcome	Measure	Polarity	Target 2015/16	Proposed target 2016/17
Resources	Enabling core	Digital and enabling	Number of customers who have moved to my account (self serve) as a method of contact.	Higher is better	40,000	60,000
Resources	Enabling core	Fairness and equality	The equality objectives will be reported on for the year 2016/17.	The equality objectives will be reported on for the year 2016/17.		
Resources	Independence	Early interventions	Conception rate per 1,000 girls (aged 15-17) Rolling average	Lower is better	26.6 (2014)	TBC - working with partners to align targets
Resources	Independence	Health	Alcohol related hospital admissions (rate per 100,000 population (broad)	Lower is better	520.2	TBC - working with partners to align targets
Resources	Independence	Health	Under 75 Mortality rate from cardio-vascular diseases considered preventable (persons)	Higher is better	53.9	TBC - working with partners to align targets
Resources	Independence	Health	The estimated % of smoking tobacco prevalence - adults over 18	Lower is better	17%	TBC - working with partners to align targets
Resources	Independence	Health	Life satisfaction – average score out of 10 in response to the question, overall how satisfied are you with your life nowadays?	Higher is better	Not appropriate to set a target for this measure	Not appropriate to set a target for this measure
Resources	Independence	Health	Worthwhile– average score out of 10 to the question, overall to what extent do you feel the things you do in life are worthwhile?	Higher is better	Not appropriate to set a target for this measure	Not appropriate to set a target for this measure
Resources	Independence	Health	Happiness - average score out of 10 to the question, overall how happy did you feel yesterday?	Higher is better	Not appropriate to set a target for this measure	Not appropriate to set a target for this measure
Resources	Independence	Health	Anxiety - average score out of 10 to the question, overall how anxious did you feel yesterday?	Lower is better	Not appropriate to set a target for this measure	Not appropriate to set a target for this measure
Resources	Independence	Health	Percentage of children in Reception (aged 4-5) who are classified as overweight or obese	Lower is better	23.00%	TBC - working with partners to align targets
Resources	Independence	Health	Percentage of children in Year 6 (aged 10-11) classified as overweight or obese	Lower is better	37.60%	TBC - working with partners to align targets
Resources	Independence	Health	Persons presenting with late diagnosed HIV (infected adults)	Lower is better	Not appropriate to set a target for this measure	Not appropriate to set a target for this measure
Resources	Independence	Health	Life expectancy from birth - Men	Higher is better	2014 to be used as benchmark	80.3 years
Resources	Independence	Health	Life expectancy from birth - Women	Higher is better	2014 to be used as benchmark	83.6 years
Resources	Independence	Health	Vaccination rate (MMR2) for children at 5 years old	Higher is better	90% (national target)	90% (national target)
Resources	Independence	Health	The proportion of adults classified as overweight or obese	Lower is better	TBC	TBC
Resources	Independence	Health	The proportion of people who complete psychological therapies (IAPT) who are moving to recovery	Higher is better	50% (national target)	50% (national target)

Dept.	Area	Outcome	Measure	Polarity	Target 2015/16	Proposed target 2016/17
Resources	Independence	Tackling the cost of living	% of people working for the council who are paid the London Living Wage	Higher is better	100%	100%
Borough	Growth	Jobs and the economy	The overall JSA Claimant rate	Lower is better	Aim to improve against 14/15 outturn	Aligning these targets with partners
Borough	Growth	Jobs and the economy	Reducing the gap between the highest and lowest wards	Lower is better	NA	2.70%
Borough	Growth	Jobs and the economy	Long term unemployment (those receiving JSA for 12 months or more)	Lower is better	0.50%	0.40%
Borough	Growth	Jobs and the economy	% of working age on out of work benefits	Lower is better	9.80%	8.80%
Borough	Growth	Jobs and the economy	% of young people aged 18-24 who are claiming Job Seekers Allowance	Lower is better	3.20%	2.90%
Borough	Growth	Neighbourhoods, district centres, planning	The number of small and medium business enterprises (SME's)	Higher is better	12,960	12960
Borough	Growth	Neighbourhoods, district centres, planning	Occupation rates - office	Higher is better	New measure 2015/16 data will provide the benchmark	66%
Borough	Growth	Neighbourhoods, district centres, planning	Occupation rates- retail	Higher is better	New measure 2015/16 data will provide the benchmark	92%
Borough	Growth	Neighbourhoods, district centres, planning	The number of apprenticeship participants within the borough	Higher is better	NA	1130
Borough	Independence	Domestic violence and sexual abuse	Percentage of domestic violence sanction detections	Higher is better	No target	Aligning these targets with partners
Borough	Independence	Tackling the cost of living	Percentage of Job seekers allowance claimants (as a proportion of the resident population aged 16-64 - working age population)	Lower is better	1.90%	2%
Borough	Liveability	Policing and crime	Crime indicators as defined by MOPAC 7 (rolling 12 month performance) - Burglary	Lower is better	3706 (rolling at Sept 2015)	Aligning these targets with partners
Borough	Liveability	Policing and crime	Crime indicators as defined by MOPAC 7 (rolling 12 month performance) - Criminal damage	Lower is better	2924 (rolling at Sept 2015)	Aligning these targets with partners
Borough	Liveability	Policing and crime	Crime indicators as defined by MOPAC 7 (rolling 12 month performance) - Theft of motor vehicles	Lower is better	821 (rolling at Sept 2015)	Aligning these targets with partners
Borough	Liveability	Policing and crime	Crime indicators as defined by MOPAC 7 (rolling 12 month performance) - Theft from motor vehicles	Lower is better	2369 (rolling at Sept 2015)	Aligning these targets with partners
Borough	Liveability	Policing and crime	Crime indicators as defined by MOPAC 7 (rolling 12 month performance) - Robbery	Lower is better	1513 (rolling at Sept 2015)	Aligning these targets with partners
Borough	Liveability	Policing and crime	Crime indicators as defined by MOPAC 7 (rolling 12 month performance) - Violence with injury	Lower is better	2312 (rolling at Sept 2015)	Aligning these targets with partners

Dept.	Area	Outcome	Measure	Polarity	Target 2015/16	Proposed target 2016/17
Borough	Liveability	Policing and crime	Crime indicators as defined by MOPAC 7 (rolling 12 month performance) - Theft from a person	Lower is better	656 (rolling at Sept 2015)	Aligning these targets with partners
Borough	Liveability	Policing and crime	Incidence of anti social behaviour	Lower is better	To reduce the demand	Aligning these targets with partners
Borough	Liveability	Policing and crime	Resident confidence in Policing	Higher is better	66%	Aligning these targets with partners
Borough	Liveability	Policing and crime	How safe people feel in Croydon?	Higher is better	72%	77%
Borough	Liveability	Policing and crime	How people rate the overall level of crime in Croydon today compared with the overall level one year ago?	Lower is better	68.50%	73%
Borough	Liveability	Roads, transport and streets	Percentage reduction in road Casualties (3 year rolling average)	Lower is better	1069	1115
Borough	Liveability	Roads, transport and streets	Proportion of journeys starting in Croydon made by sustainable means (walking or cycling)	Higher is better	TBC	improve on 2011-14 outturn (29%)
Borough	Liveability	Culture	The number of visitors to Croydon	Higher is better	NA	2012-14 will provide the baseline (241,000)
Borough	Liveability	sport	% Adults (aged 16+) participating in sport & active recreation for at least 30 minutes in the previous 28 days	Higher is better	Sports England do not set a target (2014-15 34.3%)	Sports England do not set a target
Borough	Independence	Tackling the cost of living	Affordability of private rent - median monthly private sector rent as a % of the median gross monthly salary	Lower is better	NA	2014 data to provide the benchmark (45.51%)

For General Release

REPORT TO:	Cabinet 11 July 2016
AGENDA ITEM:	14
SUBJECT:	South London Waste Partnership (“The Partnership”) – Procurement of joint Waste collection and Related Environmental Services
LEAD OFFICERS:	Jo Negrini, Acting Chief Executive Steve Iles, Director of Streets
CABINET MEMBER:	Councillor Stuart Collins, Cabinet Member Cabinet Member for Clean Green Croydon. and Councillor Simon Hall Cabinet Member for Finance and Treasury
WARDS:	All
<p>CORPORATE PRIORITY/POLICY CONTEXT/AMBITIOUS FOR CROYDON</p> <p>Cleaner & Greener – through competitive dialogue to procure a contract capable of ensuring that environmental improvements will be achieved during the life of the contract to enhance and improve the environment, and increase recycling and promote reuse.</p> <p>These services meet the Council’s Corporate priorities to:</p> <p>Provide value for money to its residents through the development of an integrated waste and street cleansing service alongside three neighbouring authorities, considerable savings and also improvements in contract performance</p> <p>Support improved use of Council assets and investment in energy and carbon management.</p> <p>Contribute to the local economy and environment through social value.</p> <p>Include the Council’s commitment to the London Living Wage.</p>	
<p>FINANCIAL IMPACT:</p> <p>The financial implications of the award of this contract to the preferential bidder would result in revenue savings to the council of £4.2m per annum against a revenue budget of £14.069m. For the full initial 8 year period of the contract the council will save £34.297m against a cumulative budget for the duration of the 8 years of £98.489m. This takes into account financing costs on asset additions of £800k per annum over the 8 years.</p>	
<p>KEY DECISION REFERENCE NO: 20/16/CAB The decision may be implemented from 1300 hours on the expiry of 5 working days after it is made, unless the decision is referred to the Scrutiny & Strategic Overview Committee by the requisite number of Councillors.</p>	

The Leader of the Council has delegated to Cabinet the power to make the decisions set out in the recommendations below

1. RECOMMENDATIONS

Having carefully read and considered the report and the requirements of the Council's public sector equality duty in relation to the issues detailed in the body of the report Cabinet is recommended to :

- a) Approve the appointment of Veolia ES (UK) Ltd as Preferred Bidder in relation to the procurement exercise that has been undertaken by the South London Waste Partnership for waste collection, street cleaning, commercial waste, winter gritting and fleet management/vehicle maintenance (Lot 1) as endorsed by the Joint Waste Committee and upon the terms detailed in the associated Part B report.
- b) Approve that Amey LG Limited is appointed as the Reserved Bidder for the Lot 1 services as endorsed by the Joint Waste Committee on 7 June 2016.
- c) Approve the appointment of The Landscape Group Limited as Preferred Bidder in relation to the procurement exercise that has been undertaken by the South London Waste Partnership for parks, grounds maintenance, cemeteries, verges and tree maintenance (Lot 2) as endorsed by the Joint Waste Committee on 7 June 2016.
- d) Approve that Veolia ES (UK) Ltd is appointed as the Reserved Bidder for the Lot 2 Services as endorsed by the Joint Waste Committee on 7 June 2016.
- e) Note that at this stage, due to existing contract arrangements, Croydon has opted not to partake in Lot 2 Services, although it has the Lead procurement function for this Lot on behalf of the Partnership.
- f) Delegate authority to the Director of Streets to agree the Inter Authority Agreement (IAA) and the arrangements relating to the management of the contracts prior to contract award.
- g) Agree that the Preferred Bidders are granted permission and allowed access to start discussions with staff and the unions about their proposed changes to employment terms and conditions where required.
- h) Note the service changes and approve the changes to garden waste and bulky waste collection costs the year 2018/19, although there is the option for boroughs to set their own prices.
- i) Agree that, subject to financial close and 'fine tuning' discussions, with the Preferred Bidder being resolved to the satisfaction of the South London Waste Partnership Management Group, and there being no material changes to the

proposed solution beyond the scope of the proposed solution set out in this report, authorise the Director of Streets(acting in consultation with the Chair of the Joint Waste Committee, the Management Group and the Partnership's Legal Lead) , to award the final contract and agree all necessary documentation without further recourse to this Cabinet.

2. BACKGROUND

- 2.1 Croydon's waste collection and street cleaning contract runs until 31 March 2017. It was originally let in 2003 to Cleanaway before the company was procured by Veolia in 2007. The current administration inherited the Veolia contract in 2014.
- 2.2 In recent times there has been a shift in the expectations regarding the standard to which Veolia delivered its services under the contract, although the current contract is regulated by a set of key performance indicators, which are not particularly robust by today's standards. The mechanisms by which residents can report service issues have also changed, resulting in considerably more requests via online reporting such as 'My Account' and the 'My Croydon' smartphone app.
- 2.3 The proposed new contract for the SLWP will be underpinned by a more robust set of performance indicators which will drive standards of service delivery and ensure there are appropriate penalties for service failures.

3. EXECUTIVE SUMMARY

- 3.1 This report informs the Cabinet of the outcome of the procurement process for the two lots in the South London Waste Partnership's (SLWP) Environmental Services Procurement and follows endorsement from the SLWP Joint Waste Committee on June 7th 2016.
- 3.2 This report seeks endorsement for the selection of Veolia ES (UK) Ltd as Preferred Bidder for waste collection, street cleaning, winter gritting and fleet procurement and maintenance (Lot 1) and Amey as Reserve Bidder. It also seeks approval to select The Landscape Group as Preferred Bidder for parks, grounds maintenance, cemeteries, verges and tree maintenance (Lot 2) and Veolia ES (UK) Ltd as Reserve Bidder.
- 3.3 This report details the implications of the proposal for Croydon's existing services, the governance arrangements for the new contract and confirms the timetable for the remainder of the procurement exercise. The SLWP contract for Lot 1 will commence on 1 April 2017, although the new service for

Croydon will not commence until 1 April 2018 for street cleansing, and 1 October 2018 for the new household waste collection service.

- 3.4 The SLWP contract for Lot 2 will commence on 1 February 2017, although due to existing contractual arrangements, Croydon has opted not to Award Lot 2 services for itself through the Partnership, but retains the option to do so in the future. Any such decision will be the subject of a considered business case and also Cabinet approval.
- 3.5 The contracts each cover a period of 8 years, with two further opportunities to extend for 8 years (up to 24 years in total) by mutual agreement.
- 3.6 The content of this report has been endorsed by the Contracts and Commissioning Board.

CCB Approval Date	CCB ref. number
TBC	TBC

4. DETAIL

- 4.1 The SLWP was formed in 2003 between the boroughs of Croydon, Kingston, Merton, and Sutton and has a proven record of providing improved and more cost-effective waste management services through the procurement of complex waste disposal treatment, recycling and Household Reuse and Recycling Centre contracts. The SLWP itself is not a legal entity and thus procures its contracts through one of the borough members of the Partnership in this case, Croydon Council.
- 4.2 Officers from the partner boroughs explored opportunities for future delivery of a range of high quality environmental services. An options analysis was undertaken to assess the merits of procuring services in Partnership, as opposed to procuring alone, or retaining existing arrangements. The four boroughs made an assessment of delivery, procurement options and modelling savings based on joint procurement by all boroughs. The modelling suggested savings in the region of 10% from procuring jointly with the potential to achieve savings in excess of this if the partner boroughs harmonised these services.
- 4.3 On this basis a business case for a joint procurement exercise for the following services was agreed in each of the boroughs

Lot 1 (All boroughs)	Lot 2 (Sutton & Merton only but Croydonm option to join later)
Waste collection	Parks

Street cleaning	Grounds maintenance
Commercial waste	Cemeteries
Winter gritting	Verge maintenance
Fleet Management / vehicle maintenance	Tree maintenance (excl inspections)

- 4.4 The objectives of procuring on a sub-regional basis are to maintain a high quality service and customer satisfaction, reduce spend, increase income opportunities, through environmentally sustainable, carbon efficient, innovative solutions.
- 4.5 Currently the partner boroughs deliver their waste collection services differently, with some providing weekly food waste collections, fortnightly collection and twin stream recycling services with all of the boroughs providing a chargeable green garden waste service.

5. HARMONISED SERVICE PROPOSALS

- 5.1 The recommended Preferred Bidders' service proposals involved harmonisation of services over time across the Partnership area.
- 5.2 Waste collection proposals include:
Food waste collected every week
- Residual (non-recyclable or 'black bag') waste collected every fortnight
 - Card and paper collected every fortnight
 - Tins, plastics glass collected every fortnight

The specific service methodology for the proposed approach are detailed in Part B.

- 5.3 Other services are also harmonised across the partnership area. The street cleaning service proposals operate on a neighbourhood basis. Parks and grounds maintenance service resource is flexible with dedicated staff at key locations. Boroughs are able to share depot space, enabling the services to operate more efficiently.
- 5.4 The recommended preferred bidder's likely timetable for service change in each of the Partnership boroughs is shown in the diagram below:



6. COMMUNICATIONS & ENGAGEMENT

- 6.1 The Partnership has created an overarching SLWP Environmental Services Procurement (Preferred Bidder) Communications Plan covering the period 26 April – 2 December 2016. The Plan has been drafted by the Partnership’s Communications Advisor in close liaison with the Communications Co-ordination Group (made up of communications representatives from each of the four boroughs).
- 6.2 The key objectives of the SLWP Environmental Services Procurement (Preferred Bidder) Communications Plan are to: Provide residents, elected Members, council staff and other stakeholders with clear, factual and timely information about the SLWP Environmental Services contracts; fill the seven-month ‘information void’ that would otherwise exist between the identity of the recommended Preferred Bidders entering the public domain on 27 May 2016 and contracts being signed in December 2016; help mitigate the risk of commercially sensitive information entering the public domain whilst the Preferred Bidder recommendations are being endorsed by the Joint Waste Committee and considered by the four boroughs.
- 6.3 During Fine Tuning (August – November 2016) the Partnership’s Communications Advisor will work with the Preferred Bidders to develop joint Communications and Engagement Strategies and Plans that take effect once contracts are signed.
- 6.4 Given the different implications of the contract award for each of the four boroughs, Merton and Sutton (where staff working on both Lot 1 and Lot 2 services are predominantly directly employed by those boroughs) have chosen to produce their own borough-specific communications plans. This has been done in liaison with the Partnership’s Communications Advisor.

7. THE PROCUREMENT PROCESS

- 7.1 The Competitive Dialogue procurement route was recommended due to the scope and complexity of services and feedback from market engagement. Annex 1 outlines the Competitive Dialogue procurement process in greater

detail. The key determinants of the decision to use Competitive Dialogue were; a) the complexity of the requirement and the need to shape the market, explore various options and service developments with bidders; b) the costs of the services which are approximately £38m per annum for the four boroughs, and; c) the requirement for skilled negotiation to take place with bidders, particularly given the scale of spend and objective to achieve significant savings.

- 7.2 One of the key benefits of using Competitive Dialogue is that it allows both the authorities and bidders to enhance and adapt the scope of the requirements throughout the process, including the final specification. This has highlighted further efficiencies, in demonstrating the benefits of incorporating, for example, the administration function for the cemeteries services, along with the sports bookings function for parks, within the scope of the contracts.
- 7.3 Following approval by the four boroughs, an OJEU notice was submitted in January 2015 and those companies expressing an interest were sent a Pre-Qualification Questionnaire (PQQ).
- 7.4 The Competitive Dialogue ran in three stages; Outline Solutions Stage, Detailed Solutions Stage and Final Tender Stage. Bids were evaluated at each stage according to the evaluation criteria; a detailed report on the evaluation process and outcome of each stage of dialogue is detailed in Part B.
- 7.5 Pre-Qualification Questionnaire Assessment
- 7.6 For Lot 1, Pre-Qualification Questionnaires were received from five companies by the 24 February 2015 deadline and were reviewed by officers and advisers.
- 7.7 For Lot 2, Pre-Qualification Questionnaires were received from nine companies. by the 24 February 2015 deadline and were reviewed by officers and advisers.
- 7.8 In Lot 1, all five companies submitting a PQQ were assessed as suitable to take through to the competitive dialogue process.
- 7.9 In Lot 2, six applicants were assessed as suitable to take through to the competitive dialogue process:
- 7.10 The Invitation to Participate in Dialogue was issued to bidders on 18 March 2015. The Evaluation Criteria for Lots 1 and 2 were applied to assess solutions received from each of the bidders at each stage of the procurement.
- 7.11 In Lot 1, price was evaluated separately at Invitation to Submit Outline Solutions (ISOS) stage. Bidders were awarded a maximum of 40% of marks available on the basis of a price for running the Lot 1 Services 'As Is', a price for a proposed 'New Service' which would offer an optimum level of savings,

the impact of the proposed 'New Service' on the treatment and disposal of waste costs, and potential to maximise recycling income, and finally the robustness of pricing and how savings were to be achieved. This detailed price assessment at ISOS stage helped to determine the specification going into the Detailed Solutions stage of the procurement, and to assess the likely impact of a change in collection regime in terms of the savings potential. All bidders proposed a 'New Service' which was cheaper than the 'As Is' service and therefore bidders were instructed to proceed at the next stage on the basis of their 'New Service' proposal.

- 7.12 In Lot 2, bidders were asked to submit an indicative price at Outline Solutions Stage, which was not evaluated, however bidders received feedback on their relative pricing position at the Detailed Solutions Stage to inform the development of their proposal.
- 7.13 At Invitation to Submit Detailed Solutions (ISDS) and Invitation to Submit Final Tender Solutions (ISFT) stages, bidders' prices were assessed in accordance with the Price Evaluation Method. Full details of the evaluation are set out in the Evaluation Report in Part B of this report.
- 7.14 Invitation to Submit Outline Solutions (ISOS)
- 7.15 Four bidders confirmed their intention to participate in dialogue and submit an outline solution. The fifth bidder dropped out of the process after the first round of meetings citing commitments competing for their resources elsewhere.
- 7.16 The dialogue meetings focused on bidders' technical solution. In Lot 1, Bidders' were asked to price two scenarios, one where the services were to operate on an 'as is' basis and the other where the services could be designed by the bidders to meet the Partnership's objectives. A significant amount of work went into assessing the pricing of both 'as is' and proposed solutions so that the relative costs of both were well understood. In both Lots, bidders were given opportunities to visit all available sites and depots. Bidders submitted a total of 315 separate clarification questions in this round.
- 7.17 Outline solutions were submitted by all four bidders in Lot 1 by the 10 July 2015 deadline. All six bidders in Lot 2 submitted outline solutions by the separate Lot 2 deadline of 3 August 2015. The submissions were reviewed and assessed by officers and the Partnership's advisers, according to the completeness and compliance of submissions, and by application of the Evaluation Criteria.

Note: The evaluation results are provided in Part B to this report

- 7.18 All four Lot 1 submissions were assessed to be of good quality. The bidders' proposals for new, cross-borough waste collection services were all considered to meet the boroughs' requirements and offered considerably greater savings than the 'as is' service proposals.

- 7.19 In accordance with the published process, the two lowest scoring bidders in Lot 2 were deselected and the remaining bidders were invited to the next stage of dialogue; detailed solutions. All four Lot 1 bidders were also invited to take part in the next stage. The Invitations were sent out on 9 September 2015.
- 7.20 Invitation to Submit Detailed Solutions (ISDS)
- 7.21 All the remaining bidders in both Lots received revised contract documents and instructions at the outset of detailed solutions and all the bidders confirmed their intention to participate.
- 7.22 In Lot 1, the dialogue meetings focused on bidders' approach to running the services including proposed changes to waste collections and street cleaning methodologies, their proposals for sharing income with the Partnership, and any efficiencies which could be derived leading to a reduced management fee.
- 7.23 In Lot 2, dialogue meetings focussed on the detailed technical proposals, including but not limited to levels of resources proposed and staffing structures, proposals for engagement with stakeholders (e.g. Friends of parks groups), income generation for chargeable services such as sports pitch bookings.
- 7.24 Across both Lots, bidders submitted a total of 305 clarification questions during detailed solutions dialogue.
- 7.25 Detailed solutions were submitted by all four bidders by the 16 November 2015 deadline. The four submissions in each of the two Lots were reviewed and assessed by officers and the Partnership's advisers, according to the completeness and compliance of submissions, the application of the Evaluation Criteria set out in full in Part B. The results of this evaluation were moderated by the project team and work-stream leads. The outcome of this process was to establish a quality score for each bid, and the decision tree set out in Part B was used with each submission's quality score and price to rank each bidder.

Note: The evaluation results are provided in Part B to this report.

- 7.26 Following the deselection of the lowest scoring bidder in Lot 1 and the two lowest scoring bidders in Lot 2 the remaining bidders in Lot 1 and Lot 2 were invited to final tender stage dialogue.
- 7.27 Invitation to Submit Final Tender Solutions (ISFT)
- 7.28 The Invitation to Submit Final Tender Solutions was issued to remaining bidders on 21 December 2015, and dialogue meetings commenced on 4

January 2016. The focus of the final round of meetings was to further negotiate price to attempt to derive further savings, and to discuss any areas of bidders' proposals requiring improvement or amendment to ensure each borough's requirements are met.

- 7.29 A significant amount of work was carried out at this stage, both by bidders and the Partnership on the further refined detail of bidders' solutions and the alignment of each solution with each bidder's financial model. The financial model was a requirement of submission both to evidence each bidder's costed model and basis for their assumptions, and also to provide the Partnership with the required level of transparency in each bid. At this stage, funding requirements were also clarified for each Lot 1, with boroughs electing to provide the capital requirements as this yields greater savings through the life of the contract. An extension of time of two weeks to the deadline for bidders to submit their detailed solutions proposals was agreed and granted, to allow further time for bidders to refine their financial models. This extension was workable within the overall timetable as it did not impact on the contract start date.
- 7.30 A two week period followed the completion of dialogue meetings, to allow bidders time to finalise their solutions and to put forward any final clarifications. There were 205 clarification questions raised by bidders in the final stage of dialogue.
- 7.31 The call for final tenders was issued on 31 March 2016 marking the formal closure of dialogue, and final tenders were submitted on the deadline date of 1 April 2016. The two submissions were reviewed and assessed by officers and the Partnership's advisers, according to the same criteria applied throughout the procurement. The results of this evaluation were moderated by the project team and work-stream leads and are set out in detail in Part B

8. BENEFITS OF THE NEW CONTRACTS

- 8.1 The objectives agreed prior to the commencement of the procurement exercise were:
- i. to target optimum savings on the costs of service provision through lower service costs and increasing recycle revenues;
 - ii. to deliver residents a high performing service, achieving high levels of customer satisfaction;
 - iii. to provide improved environmental and carbon outcomes in the way we deliver environmental services; and
 - iv. to ensure the community are engaged and involved in the management and maintenance of parks, cemeteries and open spaces in Merton and Sutton.

- 8.2 At a time of diminishing budgets the ability to provide higher quality services and improved levels of customer satisfaction becomes more challenging. The selection of the preferred bidder provides a resilience to services that Croydon are not able to provide in isolation, the contractor will be able to distribute resources across the partnership area to manage demand. The contractor will also be able to divert resources from outside of the partnership area to ensure resilience of service delivery.
- 8.3 The objectives agreed prior to the commencement of the procurement exercise, sought to ensure that levels of service delivery would be maintained, with a contribution to the required savings targets and enhance the environmental performance of the services. The recommended preferred bidder's solution delivers significant benefits to Croydon over the course of the contract term.
- 8.4 Whilst the recommended preferred bidder for Lot 1 services is the current provider of Croydon's Lot 1 services, there will be key enhancements to the way these services are delivered. The new contract will be underpinned by a new set of performance indicators which set the contractor challenging targets aimed at driving up performance in key areas such as missed collections and street cleanliness. With strict penalties associated with failure to meet these targets, the preferred bidder has proposed a robust monitoring approach to ensure these standards are upheld.
- 8.5 The proposal to increase additional recycling capacity for paper and card alongside fortnightly collection of residual waste and enhanced recycling capacity will assist in contributing to the achievement of the Council's Ambitious for Croydon targets.
- 8.6 In addition to the positive impact on the recycling performance, this contract will deliver significant savings to Croydon for the duration of the contract.
- 8.7 The street cleaning service proposed by the preferred bidder will introduce a neighbourhood approach with a change in the hours of coverage across the borough.
- 8.8 Where possible street cleansing schedules will complement the recycling service, meaning that problems associated with spillages and windblown litter are minimised. There will also be a harmonisation of standards across the partnership boroughs relating to response times for services such as graffiti removal and fly tipping.

9 GOVERNANCE AND CONTRACT MANAGEMENT

- 9.1 In 2015, the Partnership boroughs agreed a new Inter Authority Agreement (IAA) relating to the procurement of waste collection (including commercial waste), street cleaning, fleet management and parks, including cemeteries, grounds maintenance and their associated services. This document related to

the procurement phase with a commitment to agree a variation to the IAA for the contract management element prior to contract commencement.

- 9.2 As a result a new 'service phase' IAA is being drafted the Partnership's legal advisers, in consultation with the boroughs' lead officers. The main principles remain consistent with those in existing agreements and will cover the period from Contract Award onwards, so there is no gap between the Procurement IAA and the Contract IAA.
- 9.3 The contract will be managed by the Partnership in conjunction with each of the boroughs, with a centralised client function sitting in the Partnership team and a borough-led client team in each borough, in accordance with the reporting requirements developed through dialogue with bidders and agreed with the Preferred Bidder during fine tuning.

10 TIMESCALES & MOBILISATION

- 10.1 Subject to each partner borough executive's approval of the recommendations within this report, the contract will commence on 1 April 2017 for Lot 1 and 1 February 2017 for Lot 2. A mobilisation plan has been submitted by the Preferred Bidder in accordance with the submission requirements and will be subject to further discussion and agreement with Partnership officers during contract fine tuning.
- 10.2 The indicative timetable leading to contract commencement is as follows:

Borough Executive Approvals for Preferred Bidder	June – July 2016
Preferred Bidder Fine Tuning	August – November 2016
Contract Signing (includes 10 working day standstill period following notification of contract award)	December 2016
Mobilisation period (including TUPE transfer of relevant staff)	Lot 1: January – March 2017 Lot 2: January 2017
Contract Commencement	Lot 1: 1 April 2017 Lot 2: 1 February 2017

*Note these are dates of SLWP contract commencement, not the dates scheduled for these services to begin in Croydon as detailed in 4.4.

11 PROCUREMENT PROCESS AND COSTS

- 11.1 This section of the report details the procurement process undertaken in order to reach the recommendation of preferred bidder and reserve bidder for Lot 1 and Lot 2 services. Taking into account a successful funding bid from the DCLG, the procurement process cost less than £100,000 per borough.
- 11.2 The Department for Communities and Local Government (DCLG) awarded funding of £1.3m to the project following a successful application by London Borough of Sutton on behalf of the Partnership boroughs to the Transformation Challenge Award (TCA) scheme.

The table below details the total estimated cost of the procurement (£1,640,027) from 2014/15 to 2016/17. TCA funding of £1,330,500 was received in April 2015 from DCLG resulting in an estimated cost payable by the Partnership of £309,527 (£77,382 per borough). £1,221,130 expenditure has been incurred up until 31 March 2016 leaving an estimated £418,897 of expenditure to be incurred during 2016/17.

Item	Estimate £	Actuals to 31 March 2016 £
<i>Advisor Consortium</i>	1,254,997	1,086,077
<i>Project & Contract Management</i>	161,000	66,778
<i>Internal Legal Advice</i>	90,375	68,275
<i>Contingency</i>	133,655	0
Sub-Total	1,640,027	1,221,130
Less TCA funding	-1,330,500	-1,330,500
TOTAL	309,527	-109,370
COST PER BOROUGH	77,382	-27,343

12 FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

12.1 Revenue and Capital consequences of report recommendations

See Table in Part B

12.2 The effect of the decision

Approval of the recommendation would allow the SLWP to continue the Competitive Dialogue process with the preferred bidder and develop a full, detailed solution. Full effects of the decision on approval of the recommendation are shown in the financial table in part B.

12.3 Risks

See Part B

12.4 Options

See Part B

12.5 Future savings/efficiencies

See Part B

Approved by: Lisa Taylor, Assistant Director of Finance and Deputy S151 Officer

13 COMMENTS OF THE COUNCIL SOLICITOR AND MONITORING OFFICER

13.1 On behalf of the Acting Council Solicitor, it is commented that the recommendations contained within this report are within the powers of Cabinet.

13.2 The procurement exercise leading to the recommendation of a preferred bidder has been conducted using the Competitive Dialogue procedure as provided for under the Public Contract Regulations 2006 (as amended). Legal advice in relation to the procurement rules and the drafting of contract documentation and other relevant legal matters has been given throughout the whole of this procurement process. There are no governance or legal concerns at this time in relation to the proposed recommendation. Legal advice will continue to be provided up to financial close on the proposed contracts as well as the proposed inter authority agreement to be entered into between the Partnership boroughs to manage the contracts.

Approved by: Sean Murphy, Principal Corporate Solicitor (Regeneration), on behalf of the Acting Council Solicitor and Acting Monitoring Officer).

14 HUMAN RESOURCES IMPACT

14.1 This paper is likely to involve the transfer of some staff from the Council's Commercial Waste team to Veolia which will invoke the effects of the Transfer of Undertakings (Protection of Employment) 2006 Legislation and as amended 2014. All staff that predominantly work in the identified service would be transferred to the new contractor on their existing terms and conditions of service (with the exception of pension rights). The council's TUPE protocol and all other related policies and procedures must be followed, particularly the duty to consult.

Approved by: **Adrian Prescod HR Business Partner - Place Department** on behalf of the Director of Human Resources)

15 EQUALITIES IMPACT

15.1 The tender opportunity and procurement process was conducted with due regard for equalities legislation and bidders selected for Competitive Dialogue

were required to have a current Equalities Policy which met legislative requirements.

16 SOCIAL VALUE

- 16.1 To meet the requirements of the Public Service (Social Value) Act 2012, the Partnership is obliged to measure the social impact of services commissioned by the constituent councils. Bidders were therefore required in their submissions to demonstrate how their proposals would contribute to social value within the partner boroughs. Contribution to social value in the context of this procurement was defined as, but not limited to, apprenticeship schemes, local employment opportunities and third sector engagement.

17. ENVIRONMENTAL IMPACT

- 17.1 The new services will deliver environmental benefits by contributing to the boroughs' aims to reduce waste from households, increase recycling rates and reduce carbon emissions including vehicles used for the delivery of the services covered by these contracts, with the contract stating that all relevant environmental standards will be adhered to.

18. REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

- 18.1 These are contained within this and the associated B report.

19. OPTIONS CONSIDERED AND REJECTED

- 19.1 The Partnership has explored options for individual partnering boroughs to undertake separate procurements, but the conclusion was that greater efficiencies could be achieved through joint working.

CONTACT OFFICER:

Name:	Steve Iles
Post title:	Director of Streets
Telephone number:	Ext 52821

BACKGROUND PAPERS - LOCAL GOVERNMENT ACT 1972:

- 1 – Lot 1 Evaluation criteria and weightings
- 2 – Lot 2 Evaluation criteria and weightings
- 3 – Schedule 5 Evaluation Process
- 4 – Price Evaluation Method

For General Release

REPORT TO:	CABINET 11 July 2016
AGENDA ITEM:	15
SUBJECT:	Welfare reforms & future roll out of universal credit
LEAD OFFICER:	<i>Paul Greenhalgh, Executive Director, People Mark Fowler. Director of Gateway, People</i>
CABINET MEMBER:	Councillor Hamida Ali, Cabinet Member for Communities, Safety and Justice
WARDS:	All
<p>CORPORATE PRIORITY/POLICY CONTEXT: Changes from welfare reform have increased financial and housing pressures for our customers. These challenges have increased the risk of instability for customers and have put Council services under stress. We need to plan thoroughly to support customers in overcoming these difficulties by providing high quality information, advice and guidance to customers so that they can live independently and have healthier lives. We need to support customers – young and old - into employment by implementing our new Pathways to Employment programme and building on the success of the Gateway Service by extending the range of households who receive an integrated whole household approach.</p>	
<p>AMBITIOUS FOR CROYDON & WHY ARE WE DOING THIS: Independence - helping customers to be as, independent as possible; Financial resilience - Provide a more joined up approach to helping households to become financially stable and personally resilient, to access training and employment, reducing homelessness and the number of people living in temporary accommodation: Fairness – Equalities, Open & Accountable Include Growth, Independence and live ability.</p>	
<p>FINANCIAL IMPACT The paper sets out the financial risks and implications for the Council and customers. These are to be further developed over the coming months.</p>	
<p>KEY DECISION REFERENCE NO.: Not a key decision</p>	

The Leader of the Council has delegated to the Cabinet the power to make the decisions set out in the recommendations below

1. RECOMMENDATIONS

The Cabinet is recommended to:

- 1.1 Consider the monetary impact and associated risks for customers arising from the ongoing and future changes of welfare reform and the expanding roll out of universal credit; and
- 1.2 Support the actions proposed in response by the Council to assist customers as detailed.

2. EXECUTIVE SUMMARY

- 2.1 The report references to an update since the November 2015 (the last cabinet report) and further changes that impact our customers and the council over the next two years with a particular focus on universal credit and benefit cap.
- 2.2 Welfare reform was introduced since April 2013 and further measures have been introduced in April 2016. There are five major changes that need to be considered.
 - Universal Credit (UC)- Emergency and Temporary Accommodation
 - UC- Decrease in Work allowances
 - Further Benefit Cap
 - Freeze in Benefit rates and Local Housing Allowance (LHA) rates
 - Housing Benefit (HB) overpayments
- 2.3 The above changes affect over 26,000 customers in Croydon, losing a total of over £31 million in welfare benefits from April 2013 to April 2017. To assist customers the Council has set up a number of different support mechanisms working with partners. This included a multi-disciplined function team that assist in income maximisation, budgeting, housing, finding work and training for work.
- 2.4 The Council and customers have responded well to the initial phase of reforms. Previously, working even on low income provided a solution, as did assisting customers with budgeting to meet the difference they experienced. However, the changes from April 2016 and beyond have increased significant pressure on those already on marginal income and those on low earnings
- 2.5 This report reflects the numbers of customers affected the monetary impact and in turn some of the associated risks along with the action the Council has and will take to assist customers.

3. DETAIL

3.1 The Chancellor of the Exchequer set out in his statement in the July 2015 budget the next phase of changes in relation to welfare reform.

3.2 £12bn savings in welfare spending will be made over four years from 2016/17 to 2019/20 through a number of measures. These present local government with major challenges around both increased demand for services and the discharge of its housing responsibilities.

3.3 **Main changes and impacts for 2016/2017**

Universal Credit- Emergency and Temporary Accommodation (TA)- Customers of the council's temporary accommodation have previously claimed housing benefit from the council for their housing costs and this has been paid direct to their housing rent account, 2 weeks in advance. With the introduction of UC, this ceases and housing costs are claimed from Department for Works and Pension (DWP) with payment being made to the resident, 4 weeks in arrears. The first UC claims for customers in temporary accommodation were made in the November rollout. The risks associated with this group of customers are:

- Increased rent arrears: 207 customers on UC in TA. The current rent arrears for these are 211,084.
- Customers claiming UC must have a rental liability on the 5th week of their claim. Due to the transient nature of this customer group, customers may have been moved to more suitable accommodation before the 5th week.
- This is most likely to affect our customers in need of supported housing who may be placed in temporary accommodation until supported housing is available. As supported housing is exempt from UC, the 5 weeks housing costs in temporary accommodation is then lost. This has affected 35% of customers to date with an average loss of £155 per week.
- Previously, under housing benefits, single customers under 35 in temporary accommodation living in shared/or 1 bed accommodation were awarded the 90% of the 1 bedroom LHA rate. This is a difference of £73 per week and the forecasted impact for 2016/17 is a loss of £329k
- Under Housing Benefit regulations, the management fee of £40 per week is built into a customer's rent and claimed via subsidy for HB. However, there is no provision for this management fee to be paid in UC.

3.4 **Universal Credit- Decrease in Work allowances-** Working households claiming universal credit currently have a work allowance of £222 per month for a couple with children and £263 for a single parent. The allowances have fallen to £192 from April 2016, lowering the threshold at which the benefit is withdrawn.

3.5 **Further Benefit Cap-** The £26,000 cap on the amount of benefit that a household can receive will be reduced to £23,000 in London, though claimants in work will continue to be exempt from the cap. In Croydon 305 households are already capped, and face a further income reduction of £58.31 per week, with 215 facing a significant risk of eviction. 90 of these will require a move to homes outside London and the South East; the remainder will need other interventions to prevent homelessness.

653 households with over 1750 children in Croydon will be affected by the cap for the first time.

3.6 Freeze in Benefit rates and Local Housing Allowance rates-Working age benefits (including tax credits and local housing allowances) will be frozen for four years from 2016/17 to 2019/20. Statutory payments and disability benefits will continue to increase by the Consumer Price Index (CPI) rate. Support through Child Tax Credit will be limited to two children for children born from April 2017. Equivalent changes will be made to Housing Benefit.

3.7 Housing Benefit overpayments -Any overpayment of HB the council can deduct from on-going entitlement. Once a resident claims UC, this deduction ceases and the council must collect the debt.

The current amount of HB overpayment outstanding to the council is £14m; £3m per year is currently recovered directly from on-going entitlement to HB. Based on the current cash collection rate for overpayment of housing benefit of 20%, the council would lose £2.4m per year. There is the opportunity to apply to DWP for deductions to be taken from entitlement to UC but overpayment of HB is not a priority debt for deduction

3.8 Backdating of housing benefit - Reduced from 6 months to 1 month. Currently customers are able to apply for backdating of their claim if they can demonstrate good cause, i.e. in hospital, experiencing domestic violence. From the 1 April 2016 this will be limited a single month. Last year over 10,000 customers were supported in this way.

3.9 Planned changes for 2017 and beyond

- Employment and Support Allowance - From April 2017, new claimants of Employment and Support Allowance (ESA) who are placed in the Work-Related Activity Group will receive the same rate as those claiming Jobseeker’s Allowance, alongside additional support to help them take steps back to work.
- Youth obligation for 18 to 21s - from April 2017, jobless 18 to 21s will have to participate in intensive support and after 6 months apply for an apprenticeship or traineeship, gain work-based skills, or go on a work placement. Automatic entitlement to housing benefit for that age group will be abolished. In Croydon 650 single claimants of housing benefit are age 18-21, of which 147 are care leavers and may be exempt from this measure. Other exemptions will include vulnerable young people and those who have been in work for 6 months prior to making a claim.
- Reduced housing costs for single customers – under current housing benefit regulations, single people over 25 receive a maximum of £152 per week. From April 2017 under universal credit their maximum housing support is limited at £82 per week
- Capped child premium – under means assessed benefits a premium is awarded for every child within a household/household. From April 2017 all new applicants under universal credit will have their assessments limited to 2 children.

The table below confirms the date of the change, the number of customers affected the financial implications for customers.

Change	Effective	Number of	Impact
--------	-----------	-----------	--------

	date	customers	
JSA,ESA work related component, IS and Local Housing Allowance all frozen for 4 years	1.4.2016	24,253	Tenants in the private rented sector at risk of increased deprivation and homelessness if rent is increased annually
Reduction in work allowances under UC	1.4.2016	10,105	Increased cost to Council, due to additional award of Council tax support. Average loss is £23.63 per week
Reduce Housing benefit backdating from 6 months to 1 month	1.4.2016	1020	Reduced opportunity to back date housing benefit. Increased pressure on rent arrears.
Benefit cap	Oct 2016	955 (653 new)	Overall household income is capped to £442 per week, a further reduction of £58.23 for those already affected with an average loss of £60.62 per household
ESA (work related) capped to JSA levels	1.4.2016	290	Reduced income for those deemed not able to work claim JSA. £40 per week.
Excluding 18 to 21 from Housing benefit	1.4.2017	475	Customers currently in receipt of housing benefit are now zero entitled. Excluded groups include the disabled, those with dependents; previous looked after children and those who have been employed in the last 6 months.
Universal Credit single room rate	1.4.2017	140 (reducing from £155 to £82)	Reduced support of housing costs owing to type of customers single, reducing from £155 to £82 per week.
Universal and Child Tax credits Capped at 2 children. Claiming for the first time	1.4.2017	2048	Where a household has more than two children benefit will be capped at 2 children. Impact for those moving to UC is a loss of £229 per child as claim will be deemed a new claim.

- 3.10 **Progress to date-Action plan and support in place** - Since November 2015 we have helped customers by engaging with them and monitoring their progress to sustain their finances and housing. We are allocating resources to make optimum use of the demand and supply in services. The customer dynamics have changed and there are conscious decisions made by officers to mitigate risks. We work closely with colleagues in the job Centre plus who are co-located to provide employment support is provided to customers out of work.
- 3.11 Since November 2015, the Gateway service has helped over 3,700 households with range of different financial and Housing support. We maximised income of these customers to £4.2 million. We have prevented homelessness and sustained housing by awarding discretionary payments of £1,279,505. Our rent arrears collection for temporary accommodation cases has increased by 26% at the end of March 2016.
- 3.12 The council has commenced work in supporting customers by increasing financial resilience and has embarked on plans to increase financial inclusion. The principles agreed are:

Principle	What does this mean
Ensuring customers have access to financial products; such as bank accounts and insurance	Allowing customers to maximise the most of financial products; receive faster payment, direct debit cost savings (and to assist budget management) and cover for unexpected events
Educate and develop the skills for all customers to allow them to budget and manage money, or plan for the unexpected	Through budgeting each resident can understand the reality of their income and expenditure, ways to maximise their income, prioritise debts, make lifestyle choices, understanding ways of saving money – food banks, charity shops, energy suppliers, transport etc.
Enabling people to make the most of their money through digital services	Each resident to recognise and have access to the financial benefits of using digital services (paying rent online, requesting benefits) and opportunities to save money through internet deals; uSwitch, shopping deals, ways to eat healthily for less
Ensuring there is access to affordable credit	Customers can source the credit that is required for unplanned unexpected events and what impact does this have on their budget. Promotion of Credit Unions, or social fund as an alternative to high interest credit (pay day lenders etc.)
Provide skills and opportunity to enter and own their future in employment	Customers understand their capability and the skills required to realise their ambitions. Having access to employment opportunities that match their skills, and keenly recognise the value of employment to them and society.

3.13 Our results so far have seen us:

- Train over 300 Council employees in welfare, housing, resident services and benefits to provide basic budgeting support to customers
- explore key services to provide money saving support and debt guidance, after which the aim is to agree joint approach/sign posting
- Review self-serve options regarding budgeting, consider usage, functionality and promotion
- Identify and contact claimants that do not have a bank accounts actively work with them to put bank accounts in place
- Engage with Credit Unions on service provisions and accessibility, whilst considering increased services
- Agree approach with banks in relation to setting up bank accounts and financial support

4. Risks & mitigations

- While CPI inflation is low and not expected to reach 2% until 2020, housing costs are rising. Between 2011 and 2015 rents of one bedroom flats in Croydon rose by 14% and rents of two, three and four bedroom homes rose by 20%. Thus the 13,781 housing benefit claimants of working age renting privately in Croydon will face difficulties in remaining in their homes.
- Landlords could be less likely to accept housing benefit claimants as new tenants, as the Local Housing Allowance only enables them to afford rents in the bottom 25% of the market, and for one and two bedroom homes even less. The loss of private tenancies is already the fastest rising cause of homelessness, with a 261% increase in the number of homeless households placed in temporary accommodation for this reason in 2010 to 2015. This benefit freeze impedes the Council's ability to procure housing to temporarily house homeless households and it is likely that this will mean that the options for an increasing number of households will be restricted to an out of borough offer in a more affordable area.
- Household sized housing association homes let at 'affordable rents' may no longer be affordable to applicants on benefits. According to a report by the Smith Institute, some housing associations are more reluctant to house poor and vulnerable people. This makes it harder for Councils to discharge their housing duty to homeless households.
- Discretionary Housing Payments (DHP) can be used to mitigate some of the effects while claimants work to attain a sustainable solution. However, the DHP budget allocated to Croydon for 2016/17 is £1,465,383.
- Croydon Discretionary Scheme for 2016/17 is £742,978. There are concerns with CDS funding will reduce or be removed significantly adding further financial pressure.
- Arrears increase, payments to the Council fall into default such as Council tax, Council tenant rents, and care costs.
- Increased impact on third sector providers with regard to resident demand at a time where we are reviewing funding arrangements.
- Market rent continues to increase in Croydon at around 3.2% per annum whilst the Local Housing Allowance (LHA) is frozen until 2020. The table below illustrates the current gap between LHA and Median Market rent in Croydon. There is increasingly a shortfall in supply at the 30th percentile and Croydon is increasingly unaffordable for procurement of adequate temporary accommodation.
- There are currently 2 FTE's providing intensive case management supports to customers affected by welfare reforms. As the roll out of the further reforms start to affect customers and specifically the benefit cap reduction, then adequate resourcing will be required to cope with the extra demand.

4.1 Mitigations and actions

- Lobby for the removal of emergency & temporary accommodation and therefore administered locally by the council under HB
- Lobby for automatic data sharing for all customers in receipt of UC.

- Lobby for the automatic referral of vulnerable customers group – for example those in arrears, at risk of eviction, known to social services, out of work for more than 2 years
- Lobby for automatic payment arrangements APAs for temporary accommodation customers.
- Proactively engage with all temporary accommodation customers to encourage them to request referrals.
- Seek further funding for DHP to support customers at risk of losing their accommodation, required amount for 2016.17 £600k.
- Continue to provide budgeting support for customers through online self-serve tools and budgeting support provided by the Enablement and Welfare service.
- On-going partnership working with DWP and Job Centre Plus (JCP).
- Agree an SLA on liaison arrangements and data sharing with JCP/DWP.
- Move forward the relocation of JCP to Bernard Weatherill House so that council support officers and work coaches co-locate.
- The council to support a further 6 posts officers to provide personal support to customers moving onto UC, this is to be resourced through the reduction in housing benefit cases and direct funding from DWP. .
- Lobby for housing overpayment debt to be higher in the hierarchy of priority debts to secure a higher rate of deductions from UC entitlement
- Lobby for higher levels of deductions to be taken from UC entitlement to clear overpayment of housing benefit.
- Engage with Benefit Cap customers before they are capped through intensive case management to attain positive long term sustainable outcomes.
- Negotiate with private sector landlords to either keep customers in their current homes or facilitate managed moves to affordable accommodation.
- Have a collaborative approach towards employment/employability support/employability options with an outcomes framework for customers. Link to Croydon employment brokerage and opportunities of the devolved work program from the south west London partnership.

5 Next steps

- 5.1 Engage further with senior DWP Director General to raise issues and pressures arising from the rollout expansion of digital Universal Credit particularly relating to emergency/temporary accommodation and its financial and housing impact on customers and the council and the risks with regard to the Benefit Cap and Housing Management fee.
- 5.2 Raise awareness across London of the emerging impacts. Combined paper from Croydon, Hounslow, Sutton, and Southwark to the DWP, London Councils, DCLG and LGA. There are direct housing implications for all owing to the nature universal credit, in that once a claim is made and customer moves they remain on UC.
- 5.3 Additional funding is sought from Government to support the increased referral

process and rise in the use of discretionary funds.

- 5.4 Operational issues are monitored such as rent and council tax task arrears, numbers of evictions, increases in discretionary housing payments, Croydon's discretionary scheme applications and food ban referrals. These trends will be raised at local meetings and all relevant London & national forums.
- 5.5 Deploy welfare reform task force including all known internal division that are and effected and external partners from the third sector and registered social landlords.

6 FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

- 6.1 The table below reflects the risks to revenue due to the expansion of universal credit. The impact is split between bad provision and general fund, the table does not confirm any immediate budgetary pressures.
- 6.2 If the issues transpire we will experience additional pressure in our bad debt provision for council tenants, tenants in emergency and temporary accommodation and in our housing benefit subsidy return. As we move forward we will track and forecast the actual budgetary impacts providing a clear position in further reports

Impact	Est annual loss in revenue
<u>Bad debt</u>	
Increased rent arrears for temporary accommodation	£1m
Assumption that 35% of temporary accommodation customers fail to claim UC due to moving after 4 weeks, at an average loss of £155 per week	£174k
Change in LHA rate for temporary accommodation customers under 35 years old	£329k
Loss of management fee of £40 per week for temporary accommodation customers	£800k
<u>General fund</u>	
Loss of housing benefit overpayment income	£2.4m
Total estimated loss in revenue	£4.7m

- 6.3 Benefit Cap. The table below sets out the loss in income for residents in light of the further reduction in benefit cap. This is not a direct budgetary impact to council. However, it would present a loss in household income resulting in less money to the local economy including the meeting of key costs such as rent and council tax and other debts or amounts due.

Croydon				
Amount of Benefit Cap	No affected	Average Loss	Weekly Impact	Annual loss of income
Up to £25	250	£12.68	£3,170.00	£164,840.00
£25.01 to £50	277	£36.84	£10,204.68	£530,643.36
£50.01 to £75	143	£54.25	£7,757.75	£403,403.00

£75.01 to £100	78	£88.82	£6,927.96	£360,253.92
£100.01 to £150	145	£120.36	£17,452.20	£907,514.40
£150.01 to £200	39	£172.76	£6,737.64	£350,357.28
£200.01 to £250	15	£223.32	£3,349.80	£174,189.60
£250.01 to £300	6	£271.21	£1,627.26	£84,617.52
£300.01 to £350	2	£335.07	£670.14	£34,847.28
£350.01 to £400	0			
£400.01 and above	0			
Total	955		£57,897.43	£3,010,666.36

6.3 Please see appendix one-table 3 which confirms the cumulative impact of reforms by ward with the total income reduction. The numbers of households with the highest financial impact have been included.

6.4 Approved by Lisa Taylor – Assistant Director of Finance and Deputy S151 Officer

7 The effect of the decision

7.1 The report is for information and comment and does not require a decision.

8 COMMENTS OF THE COUNCIL SOLICITOR AND MONITORING OFFICER

8.1 The Acting Council Solicitor comments that while there are no direct legal comments arising from this report, the actions detailed above will be relevant in mitigating demand on the Council's duties relating to housing and children

(Approved by James Derby Corporate Solicitor on behalf of the Acting Council Solicitor)

9 HUMAN RESOURCES IMPACT

9.1 There are no direct Human Resources considerations arising from this report as such; however, the content of this report will have an impact on the future development of the new gateway & welfare division, which is likely to have HR implications. Where that is the case, the Council's existing policies and procedures must be observed and HR advice sought.

(Approved by: Debbie Calliste, HR Business Partner, on behalf of the Director of Human Resources)

10. EQUALITIES IMPACT

10.1 The Welfare Reform changes are all led by Central Government and the impact of the changes is national. The following links show the various assessments completed by DWP which we have incorporated in our risks and mitigations.

<https://www.gov.uk/government/publications/universal-credit-impact-assessment>

<http://www.parliament.uk/documents/impact-assessments/IA15-006.pdf>

We are in the process of completing the first stage of the Equalities Analysis to determine if a full Equality Analysis is needed and/or further monitoring needs to be undertaken.

11. ENVIRONMENTAL IMPACT

11.1 There are no environmental impacts

12. REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

12.1 Please refer to 3.12/Risks and 3.13 and 3.14 for comments.

13. OPTIONS CONSIDERED AND REJECTED

13.1 There are various options within section 4, that are being reviewed and to be better understood. At this point we are not considering options to reject.

CONTACT OFFICER: Mark Fowler-Director of Gateway Services-Ext 62408

BACKGROUND PAPERS - LOCAL GOVERNMENT ACT 1972

- Welfare Reform Act 2012 and 2015 <http://www.legislation.gov.uk/ukpga/2012/5/contents/enacted/data.htm> and <http://services.parliament.uk/bills/2015-16/welfarereformandwork.html>
- Debt and food banks http://gu.com/p/4km4p?CMP=Share_AndroidApp_Gmail
- <http://www.insidehousing.co.uk/policy/welfare-reform/universal-credit/three-in-four-universal-credit-tenants-in-arrears/7015512.article>



The Cumulative Impact of
Welfare Reform in Croydon

DRAFT WELFARE REFORM IMPACT ASSESSMENT REPORT



CROYDON
www.croydon.gov.uk

An introduction to welfare reform

Welfare reform presents a complex picture for Croydon Council and its customers.

Several reforms were introduced in the last parliament, such as the under-occupation charge, the benefit cap, and the localisation of Council Tax support.

Further measures were announced in the Summer Budget and Autumn Statement in 2015, which include a lower Benefit Cap, reductions in work allowances in Universal Credit and changes that impact on new claimants only.

Mitigating measures including a higher National Living Wage and increased personal allowance will be introduced each year, rising to £9.00 and £12,500 by the end of this parliament.

Croydon Council wants to and understand the impact of these changes on its customers and be proactive in providing preventative support.

Our approach

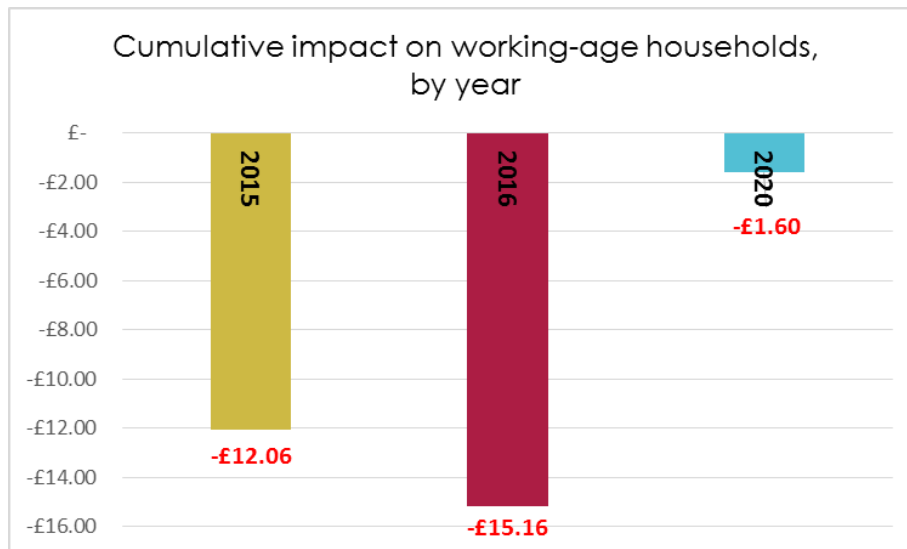
Policy in Practice has signed a secure data sharing agreement with Croydon Council. Policy in Practice uses council data with personally identifiable information redacted and the Universal Benefit and Budgeting Calculator to model the cumulative impact of all of these reforms on each individual low income household currently in receipt of housing benefit and council tax support.

Our analysis allows us to separate individual reforms, to model future reforms and to accurately assess the cumulative impact of all reforms on individual households. The subsequent tables summarise our analysis. This report is accompanied by a household level dataset showing which households are impacted by which reforms, the impact of each reform and the cumulative impact of all reforms. Croydon Council can use this dataset to prioritise and pinpoint support to affected households.

The impact of individual welfare reforms

The table and chart below summarise the impact of each individual reform, and the combined impact of all reforms today, and in the future. The analysis is based on a snapshot of Housing Benefit and Council Tax Support data as at December 2015.

Table 1: The impact of individual welfare reforms					
	Number of Households Affected	Average weekly income reduction	Household type most affected	Tenure most affected	Wards most affected
The impact of current welfare reforms					
Under-occupation	1,770	£22.02	Single	Other social	Fieldway
LHA Cap	7,174	£51.72	Single	Private tenant	West Thornton
Benefit cap (£26k)	245	£60.01	Lone parent	Private tenant	Bensham Manor
The impact of the summer budget from April 2016					
Benefit cap (£23k)	1,126	£90.78	Lone parent	Private tenant	Fairfield
Reduced UC work allowances	12,149	£16.47	Lone parent	Private tenant	Selhurst
The impact of the summer budget for new claims					
18-21 year olds and Housing Benefit	598	N/A	Single	Private tenant	Broad Green
18-21 years olds and Earn or Learn	613	N/A	Single	Private tenant	Selhurst
Housing benefit capped at LHA rates	1,353	£103.84	Single	Social tenant	Fairfield
Child element limited for new claims	10,226	N/A	Lone parent	Private tenant	Broad Green
The impact of mitigating measures for people in work in 2020					
National Living Wage	7,783	£45.23	Lone parent	Private tenant	Broad Green
Rise in tax allowance	10,733	£22.33	Lone parent	Private tenant	Broad Green
30 hours free childcare for 3-4 year olds	364	N/A	Couple with children	Council tenant	Broad Green



The cumulative impact of welfare reforms

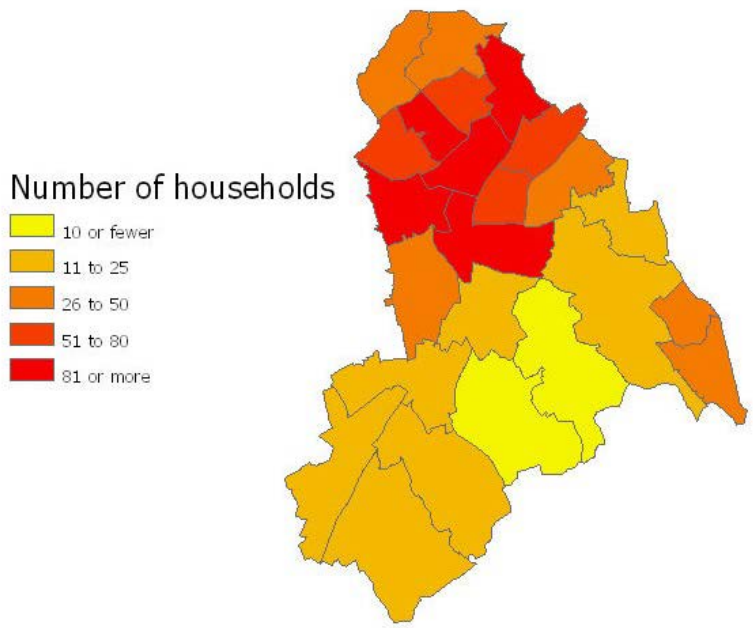
Our analysis is able to identify the households that are impacted by more than one welfare reform. The overall impact of all reforms on each household's income can be identified using the accompanying dataset.

Table 2: The cumulative impact of welfare reforms								
	Number of households	% of the working-age cohort	Number of disabled households	Number of children	Number of social tenants	Number of private tenants	Average weekly loss	Average annual loss
Worse off under UC	11,149	34.9%	2,772	16,370	4,674	5,328	£ 50.93	£ 2,648
Bedroom tax/LHA cap	8,944	28.0%	2,456	7,710	1,770	7,174	£ 46.22	£ 2,403
Benefit cap at 23k	1,126	3.5%	212	2,426	514	612	£ 90.78	£ 4,721
Worse off under UC and bedroom tax/LHA cap	2,679	8.4%	574	3,126	417	2,041	£122.50	£ 6,370
Worse off under UC and benefit cap at 23k	39	0.1%	4	188	23	15	£286.67	£14,907
Benefit cap at 23k and bedroom tax/LHA cap	225	0.7%	13	610	11	203	£153.96	£ 8,006
Benefit cap at 23k, worse off under UC and bedroom tax/LHA cap	9	0.03%	0	35	1	8	£294.27	£15,302

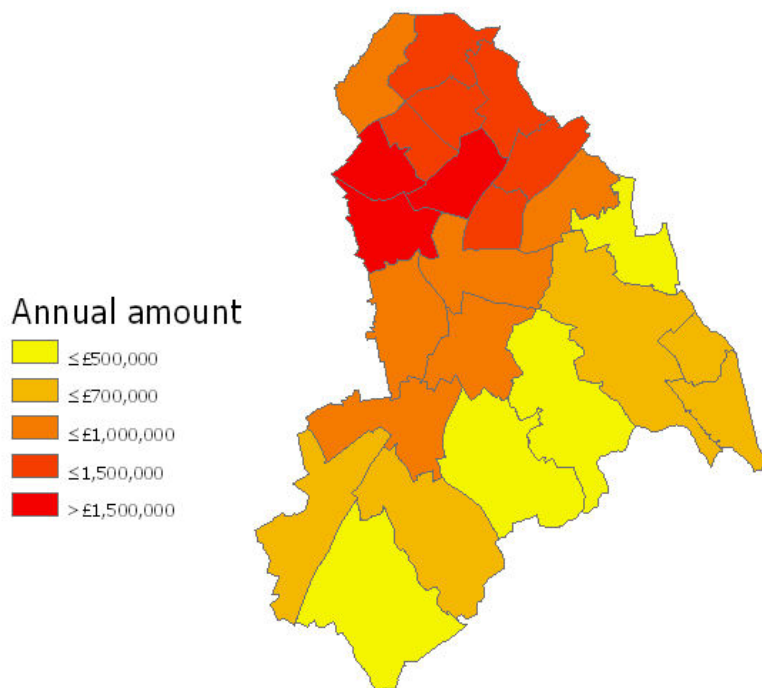
Map showing households affected by ward

The maps below show the impact of the reduced benefit cap and the cumulative impact of welfare reform, by ward, in a visual format.

NUMBER OF HOUSEHOLDS IN CROYDON AFFECTED BY THE LOWER BENEFIT CAP, BY WARD



TOTAL ANNUAL IMPACT OF WELFARE REFORM IN CROYDON IN 2016, BY WARD



Combinations of reforms by ward

The cumulative impact of reforms in 2016 is broken down by ward below.

Table 3: Cumulative impact of reforms, by ward			
Ward	Households with high impact	Percentage of ward's claimants	Total annual income reduction
Addiscombe	304	15%	£ 1,833,390
Ashburton	161	11%	£ 1,024,146
Bensham Manor	337	16%	£ 1,922,356
Broad Green	368	11%	£ 2,302,459
Coulsdon East	84	10%	£ 507,392
Coulsdon West	93	14%	£ 645,611
Croham	172	14%	£ 1,183,638
Fairfield	328	13%	£ 2,393,365
Fieldway	117	5%	£ 878,508
Heathfield	144	13%	£ 821,766
Kenley	111	12%	£ 754,981
New Addington	100	6%	£ 731,098
Norbury	153	10%	£ 1,126,243
Purley	149	13%	£ 943,659
Sanderstead	49	10%	£ 306,989
Selhurst	321	10%	£ 2,242,389
Selsdon & Ballards	60	17%	£ 364,976
Shirley	88	8%	£ 592,408
South Norwood	266	10%	£ 1,975,067
Thornton Heath	225	9%	£ 1,835,226
Upper Norwood	266	14%	£ 1,898,308
Waddon	196	9%	£ 1,163,361
West Thornton	331	12%	£ 2,119,308
Woodside	279	12%	£ 1,973,957
Croydon (total)	4702	11%	£ 31,540,601

Combinations of reforms by ward

The table below shows the effects of individual reforms, and specific reform combinations, on all the wards in Croydon.

Table 4: Reform combinations							
Ward	Worse off under UC and bedroom tax/LHA cap	Worse off under UC and benefit cap at 23k	Benefit cap at 23k and bedroom tax/LHA cap	Benefit cap at 23k, worse off under UC and bedroom tax/LHA cap	Worse off under UC	Bedroom tax / LHA cap	Benefit cap at 23k
Addiscombe	157	1	13	0	466	534	54
Ashburton	84	3	8	0	342	314	28
Bensham Manor	162	1	14	1	587	608	65
Broad Green	207	3	13	0	893	763	93
Coulsdon East	45	4	7	1	167	132	20
Coulsdon West	48	1	5	0	179	171	17
Croham	107	1	1	0	379	371	22
Fairfield	192	0	8	0	671	705	134
Fieldway	82	3	13	0	533	300	41
Heathfield	97	2	6	0	323	308	23
Kenley	62	0	7	0	264	222	11
New Addington	87	2	12	1	418	291	31
Norbury	64	0	11	0	341	281	35
Purley	83	1	7	0	335	268	19
Sanderstead	28	0	3	0	115	95	4
Selhurst	188	2	14	0	879	709	104
Selsdon & Ballards	31	0	3	0	87	96	6
Shirley	51	0	7	0	290	202	15
South Norwood	156	2	9	0	726	554	105
Thornton Heath	123	2	9	1	673	444	80
Upper Norwood	138	2	10	2	470	438	25
Waddon	119	1	7	0	566	437	48
West Thornton	190	2	14	0	762	740	71
Woodside	178	6	24	3	683	575	75
Croydon (total)	2679	39	225	9	11149	9558	1126

Barriers to employment / Impact

The table below is an example of how the household level dataset might be applied to better target employment support. The table shows the number of household, by ward that face a 'high' impact from welfare reform (greater than £30 / week) and have low barriers to work (childcare or other caring responsibilities, or a disability).

Table 5: Impact of welfare reform and barriers to work

Ward	High impact in 2016	Low barriers to work	High impact, low barriers
Addiscombe	344	900	129
Ashburton	181	628	55
Bensham Manor	374	863	131
Broad Green	449	1280	163
Coulsdon East	96	383	14
Coulsdon West	104	256	26
Croham	186	475	71
Fairfield	446	961	171
Fieldway	144	776	35
Heathfield	154	435	33
Kenley	117	345	30
New Addington	117	692	25
Norbury	177	737	65
Purley	156	430	45
Sanderstead	51	266	13
Selhurst	397	1330	127
Selsdon & Ballards	64	158	17
Shirley	93	454	32
South Norwood	355	1088	120
Thornton Heath	297	1025	102
Upper Norwood	264	803	86
Waddon	231	883	69
West Thornton	393	1014	136
Woodside	332	837	101
Croydon (total)	5522	17019	1796

About Policy in Practice

Our mission is to reduce poverty. We do this by simplifying delivery of the welfare system because we believe that change happens on the frontline.

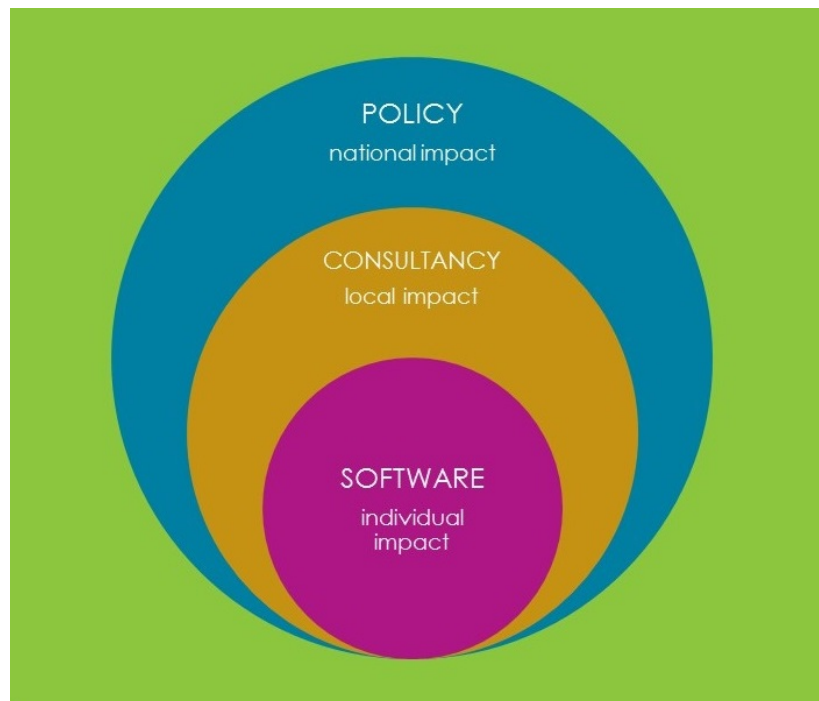
Deven Ghelani was a member of the team at Centre for Social Justice who developed Universal Credit and, when the policy was adopted by government, he left to set up Policy in Practice. He was keen to ensure that the policy intent was actually put into

practice.

Policy in Practice has facilitated conversations between leading local authorities and the Prime Minister's office to ensure frontline feedback about welfare reform policy has been heard.

We also help local organisations to understand the aggregate and cumulative impact of welfare reform changes on their customers so that they can accurately target support programmes.

And finally, to close the loop, the software that Policy in Practice has developed simplifies the conversations that frontline advisors can have with customers by clearly showing what benefits they can get under the current system and when they move to Universal Credit, comparing the two side-by-side using data visualisation.



How we can help you

Smart analysis

We use your SHBE data and our software to create rich insights showing how individual households in your area are affected by cumulative and aggregate welfare reforms.

This allows you to:

- inform tough decisions
- allocate scarce support budgets
- explain the real picture to Cabinet Members
- plan now to mitigate against negative impacts on individual households

Powerful software

Our Universal Benefit Calculator is fast, accurate and simple to use. It compares the current system and Universal Credit side-by-side. Advisors don't have to be policy experts to explain the welfare system and what the changes will mean.

This allows you to:

- simplify frontline conversations
- explain complex changes using visuals and colour
- support all advisors using information they can trust

Contact us for a full client report

Call +44 (0) 330 088 9242

Email hello@policyinpractice.co.uk

Visit www.policyinpractice.co.uk

Tweet [@policy_practice](https://twitter.com/policy_practice)

Annex 1: Data documentation

Variable

Explanation

reference	Housing Benefit and/or Council Tax Reduction claim number
postcode	Postcode
ward	Ward
children	Number of children
nondependants	Number of non-dependants
earnings	Total gross weekly earnings for the both the claimant and partner (if applicable).
householdtype	Simplified household type. Options are: single, lone parent, couple without children, couple with children.
agegroup	<ul style="list-style-type: none"> Working age Pension age (if one or more partners are of Pension Credit qualifying age)
tenure	Simplified tenure type. Options are: Council tenant, Social Rent, Private Rent, and Owner-Occupier (used for CTRS-only cases).
savings	<ul style="list-style-type: none"> Household savings, using bands.
economicstatus	Simplified economic status, depending on whether the household is in employment, or unemployed with certain characteristics.
REFORMS 2015	
underoccupation	Y = affected by the under-occupation charge N = not affected by the under-occupation charge
underoccupation_amount	Weekly reduction to Housing Benefit due to the under-occupation charge.
underoccupation_pensionage	Y = affected by the under-occupation charge and of pension age. N = not affected by the under-occupation charge.
LHAcap	Y = affected by the LHA cap (rent is higher than the applicable LHA rate, for private sector tenants) N = not affected by the LHA cap
LHAcap_amount	Weekly shortfall between eligible rent and the maximum applicable LHA rate.
benefitcap_26k	Y = affected by the benefit cap as currently set N = not affected by the benefit cap
benefitcap_26k_amount	Weekly reduction to Housing Benefit due to the benefit cap.
benefitcap26k_couldgetWTC	Y = household identified as affected by the benefit cap in BCC data, but working enough hours to qualify for Working Tax Credit (a potential exemption) N = not affected by the benefit cap and eligible for Working Tax Credit
benefitcap26k_carer	Y = household identified as affected by the benefit cap in HLBC data, but in receipt of carer's allowance N = not affected by the benefit cap and receiving carer's allowance

eligibletoFSM_underUIFM	Y = household's with receiving UIFSM and eligible to means tested FSM N = not affected receiving UIFSM and eligible to means tested FSM
earningbelowNMW	Y = not self-employed, with one adult earning below the National Minimum Wage N = not earning below National Minimum Wage
REFORMS 2016	
benefitcap_23k	Y = affected by the benefit cap at the lower £23,000/year rate N = not affected by the benefit cap
benefitcap_23k_amount	Weekly reduction to Housing Benefit due to the lower benefit cap.
benefitcap_23k_carer	Y = household identified as affected by the lower benefit cap, but in receipt of carer's allowance N = not affected by the lower benefit cap
taxcredits_2children	Y = at risk of losing tax credits if they have another child. N = Not at risk of losing tax credits if they have another child.
REFORMS 2017	
yp18to21_housingatrisk	Y = young person at risk of losing Housing Benefit N = not applicable
yp18to21_earnorlearn	Y = the household has a young person who will be expected to 'earn or learn' if making a claim for Universal Credit N = not applicable
WRAGpremium_atrisk	Y = household received the ESA Work-Related Activity Group, and would lose it if making a new claim N = not applicable
paytostay	Y = living in social housing with household earnings above £40,000 per year N = not affected by 'pay to stay'
REFORMS 2018	
LHA_lower_than_socialrent	Y = LHA rate is lower than social rent. Shortfall between Housing Benefit and rent. N = Not affected by the LHA rate being applied to social rent.
social_LHAshortfall_weekly	Weekly shortfall between LHA rate and social rent.
UNIVERSAL CREDIT	
nondep_uc	Higher = the non-dependant(s) in this household will lead to a higher non-dependant deduction under Universal Credit than currently Lower = the non-dependant deduction will be lower for this household under Universal Credit N/A = no non-dependants
uc_lowerworkallowance	Y = this household would be affected by the cuts to work allowances under Universal Credit N = this household would not be affected
uc_lowerworkallowance_amount	Amount that this household would lose every month due to cuts to work allowances under Universal Credit
uc_inworkconditionality	Y = subject to in-work conditionality under

	Universal Credit N = not subject to in-work conditionality
uc_minimumincomefloor	Y = self-employed and earning below the National Minimum Wage, likely to be affected by the Minimum Income Floor under Universal Credit N = not affected by the Minimum Income Floor
uc_needsprotection	Y = household will need transitional protection if migrating onto Universal Credit after April 2016 N = household will not need transitional protection under their current circumstances
uc_needsprotection_amount	Weekly amount of transitional protection that this household would receive is migrating onto Universal Credit after April 2016
REFORMS 2020	
livingwage_increase	Household is earning below their applicable National Living Wage for 2020, and may expect a wage increase by then
incometax_reduction	Household will benefit from the increases to income tax thresholds up to 2020
IMPACT	
incomereduction_2015	Total weekly income reduction in 2015 due to the under-occupation charge, the benefit cap, the LHA cap.
impact_2015	Score for the cumulative impact of welfare reform in 2015. No impact = not affected by welfare reform Low = fall in income is below £15 per week Medium = fall in income is between £15 and £30 per week High = fall in income is above £30 per week
incomereduction_2016	Total weekly income reduction in 2016 due to the under-occupation charge, the lower benefit cap, the LHA cap, the increase in the withdrawal rate of Working Tax Credits, and the reduction of the income threshold for tax credits.
impact_2016	Score for the cumulative impact of welfare reform in 2016. No impact = not affected by welfare reform Low = fall in income is below £15 per week Medium = fall in income is between £15 and £30 per week High = fall in income is above £30 per week
BARRIERS TO WORK	
barrierscore_disability	1 = if in receipt of a disability-related benefit at the lower or middle rate 2 = if in receipt of a disability-related benefit at the highest rate.
barrierscore_carer	2 = if in receipt of the Carer Premium
barrierscore_loneparentor2earner	1 = if a lone parent or second earner, more likely to need childcare
barrierscore_youngchildren	1 = if there is a child under 5 in the household, more likely need childcare
barriers_to_work	Score for barriers to work, summing the preceding three variables. Low = a total score of 0 Medium = a total score of 1

High = a total score of 2 or more

Benefit cap reduction- customer journey's and financial impact

Executive Summary

The increase in the benefit cap will see Croydon customers financially impacted by over £3M pounds.

An intensive case management approach has meant that Croydon has been very successful at mitigating the impact of the original cap of £26,000 and positively engaged with 78% of affected households resulting in only 36 evictions and 31 out of borough moves.

The same level of success will only be achieved by increasing resources to enable the detailed customer case management required to attain positive long term sustainable outcomes.

The administration of the implementation of the reduction of the benefit cap will cost over £1.2M. The estimated number of staff costs of just over £500,000 and DHP spend required is £698,000. By adequately resourcing the roll out of the benefit cap reduction it is estimated that 525 customers will be assisted to achieve a positive resolution within the first 6 months of implementation.

If we do not assist customers our estimation is that 85% are at risk of eviction and resulting costs to the statutory homeless service will be a minimum of £3.1M.

The reduction to £23,000 in London and £20,000 in the rest of England means that customer options are severely limited and for the majority of affected customers, employment will be the only viable option. Previous case work has revealed that for many, multiple barriers to employment need to be overcome before a resident is work ready.

Background

This report provides information on the impact to Croydon of the further changes to the Welfare benefit cap announced in budget 8th July 2015.

Details include the customer journey costs, the estimated DHP spend and the financial risk to Croydon. The table below provides an update on the number of families already subject to the cap and the estimated numbers for the further reduction of benefit.

Caseload of households affected by benefit cap by year

	Year 1	Year 2	April to Nov 15**	Estimated New Cap Figures
Amount of Benefit Cap	No affected	No affected	No affected	No affected
Up to £25	128	72	47	250
£25.01 to £50	270	95	41	277
£50.01 to £75	85	28	29	143
£75.01 to £100	79	12	14	78
£100.01 to £150	111	26	12	145
£150.01 to £200	45	4	6	39
£200.01 to £250	25	0	0	15
£250.01 to £300	19	0	0	6
£300.01 to £350	5	0	0	2
£350.01 to £400				
£400.01 and above				
Total	767	237	147	955

** DWP data source Stat explore (to be updated April 16)

Detail

How we reduced the impact of the Benefit cap at £26,000 and the success so far

To mitigate the impact of the welfare reforms on the statutory service, Croydon brought together existing support arrangements to promote household independence through an aligned financial, training/work and housing support offer.

Croydon quickly recognised that to deal with the impact of the welfare reforms there would need to be a cultural shift not only in customer behaviour but also within the organisation.

A team of officers from Income and benefits, housing and JCP co-located to provide a holistic wraparound service for affected households in partnership with 3rd sector and voluntary organisations.

Behavioural science was used in the form of nudge letters and behavioural change conversations were initiated with each customer at the initial interview.

The success of this approach not only saw significant improvements in the customer journey with only 31 families choosing to move out of borough but resulted in only 36 evictions.*customer case studies *Appendix 1*

Detailed casework enabled officers to negotiate with private sector landlords to either keep customers in their current homes or facilitate managed moves to more affordable accommodation, work intensively with customers who had either never worked or had been long term unemployed and provide all affected households with intensive budgeting and money management support to enable them to manage the changes through with their remaining income. All customers received a bespoke action plan based on their individual circumstances; outcomes achieved are listed in the table below.

Data analytics enabled the team to segment customers by financial impact, vulnerability and tenure type, ensuring a targeted approach to those most at risk.*customer journey map *Appendix 2*

Tracking the customer journey and outcomes achieved was a focus and details of the segmented customer journey times and associated costs are attached at *Appendix 3*.

Customer outcomes of those that engaged

23%	208	Empl
26%	240	open
16%	144	budget shortfall
13%	111	moved
22%	203	other*
100%	906	Total

***other includes partner moving in, non-dependent making up shortfall and the 36 customers who were evicted (0.4% of the cohort)**

Financial loss of the reduction to £23,000 and requirements

The reduction of the benefit cap to £23,000 will see customers already affected by the benefit cap impacted by a further £58 per week. The table below demonstrates the financial impact for households in the borough.

Detail of new caseload post reduction in cap to £23,000

Croydon				
Amount of Benefit Cap	No affected	Average Loss	Weekly Impact	Annual Impact
Up to £25	250	£12.68	£3,170.00	£164,840.00
£25.01 to £50	277	£36.84	£10,204.68	£530,643.36
£50.01 to £75	143	£54.25	£7,757.75	£403,403.00
£75.01 to £100	78	£88.82	£6,927.96	£360,253.92
£100.01 to £150	145	£120.36	£17,452.20	£907,514.40
£150.01 to £200	39	£172.76	£6,737.64	£350,357.28
£200.01 to £250	15	£223.32	£3,349.80	£174,189.60
£250.01 to £300	6	£271.21	£1,627.26	£84,617.52
£300.01 to £350	2	£335.07	£670.14	£34,847.28
£350.01 to £400	0			
£400.01 and above	0			
Total	955		£57,897.43	£3,010,666.36

Previous engagement indicates that customers losing over £30 per week will require detailed casework support and that generally customers affected by less can be directed to self-support and 3rd sector advice, unless there is a specific vulnerability or risk.

The reduction of the cap to £23,000 will not only greatly affect those customers currently successfully managing the shortfall through budgeting but will restrict the choice of budgeting as a viable option for the majority of customers that are capped at £23,000.

The reduction of the cap to £20,000 outside of London severely restricts the option of an out of borough move as a lone parent with 3 children will have a shortfall in benefits in every BRMA in England. *BRMA Appendix 4*

Employment will be the only viable option for the majority of affected customers and links to employment opportunities will need to be increased and appropriate staffing levels implemented for customers who require support into employment.

During the implementation of the original reforms 9 FTE's were employed to work on the impacts. Due to efficiencies and best practice despite the dramatic increase in numbers staffing for the reduction of the benefit cap will require 10 FTE's to carry out the intensive case management approach which has been so successful and a further 4 FTE's to provide the appropriate employment support (current employment coach caseload is 35 customers).

Discretionary funding

Discretionary payments have been a vital resource enabling customers to make appropriate changes to their circumstances and work towards long term sustainable solutions. Total award amounts and the duration of the awards are detailed in the tables below.

Amount of DHP spend on Ben cap customers

Year	Total DHP Spend on Benefit Cap customers
2013/2014	£674,320.04
2014 /2015	£361,693.82
2015/2016	£230,160.14

Number of customers and duration of DHP awards by year

DHP Duration	2013/14	2014/15	2015/16	Total	%
< 3 months	260	109	57	426	55
3-6 months	90	90	50	230	30
>6	35	53	32	120	15

Data analytics indicate that 67% of affected customers will require discretionary funding support. Using data analysis the following estimates of DHP spend has been produced.

Estimated DHP spend requirement

	Amount required per week	Duration	Total
55%	£21,335.20	12	£256,022.40
30%	£11,637.38	18	£209,472.84
15%	£5,818.69	40	£232,747.60
Total			£698,242.84

The estimated spend implies that the reduction in the benefit cap will require 47.6% of Croydon's total allocation for 2016/17 (£1.4M)

Risks

Market rent continues to increase in Croydon at around 3.2% per annum whilst the Local Housing Allowance (LHA) is frozen until 2020. The table below illustrates the current gap between LHA and Median Market rent in Croydon. There is increasingly a shortfall in supply at the 30th percentile and Croydon is increasingly unaffordable for procurement of adequate temporary accommodation.

	LHA	Median	% of rent covered by LHA
1	£726	£901	80%
2	£912	£1,248	73%
3	£1,212	£1,499	80%
4	£1,496	£2,000	74%

Although the welfare teams have been successful at managing to mitigate the impact of the current benefit cap on the statutory homeless service there is a real risk that the further increase will lead to more evictions for those customers already affected and those at

significant risk of homelessness (426) which would cost the borough £3,012,187 (average cost of homelessness journey in Croydon is £6750).

36 families affected by the benefit cap over the last 2 years have chosen to prevent a homeless approach and move out of borough. With the impact of the reduction in the cap this will significantly increase with an estimated 90 families requiring a move to a more affordable property outside of London and the South east as a preventative measure. These properties would need to be in a BRMA that is within £20 of the capped amount for affordability purposes and for lone parent families with 3 children there are 5 BRMA's that meet this criteria and for couples with 3 children there are none, in fact the least expensive BRMA will see a weekly shortfall of £47.

For families where appropriate offers of assistance have been refused families have previously been found intentionally homeless, however this has been a very small number of cases and we will need to ensure that our offers are further aligned with any approach required by children's services and their duties under the Children's act.

There are currently 2FTE's providing intensive case management supports to customers affected by welfare reforms. As the roll out of the further reforms start to affect customers and specifically the benefit cap reduction, then adequate resourcing will be required to cope with the extra demand.

The DHP allocation for 2016/2017 is an 18% reduction on the allowance for the £26,000 implementation which is a considerable concern given that this roll out will see an increase in volume of 20% on the original customer cohort.

A major risk for Croydon is the implementation of the Digital roll out of Universal Credit (UC) as we are not informed of customers affected by the cap who have claimed UC.

Details of the financial impact of the reduction at both £23,000 and £20,000 are detailed below and can be cross referenced against the *BRMA Appendix 4*

Table detailing the impact of the increase in the ben cap on individual households not on Universal Credit

Income Excluding Housing Benefit		Maximum HB Allowance £26,000	Maximum HB Allowance £23,000	Maximum HB Allowance £20,000
Single Person	£73.10	£276.90	£276.90	£276.90
Couple with no children	£114.85	£385.15	£327.15	£269.77
Lone Parent +				
1 Child	£157.74	£342.26	£284.26	£226.88
2 Children	£224.90	£275.10	£217.10	£159.72
3 Children	£292.06	£207.94	£149.94	£92.56
4 Children	£359.22	£140.78	£82.78	£25.40
5 Children	£426.38	£73.62	£15.62	£0.50
6 Children	£493.54	£6.46	£0.50	£0.50
7 Children	£560.70	£0.50	£0.50	£0.50
8 Children	£627.86	£0.50	£0.50	£0.50
9 Children	£695.02	£0.50	£0.50	£0.50
10 Children	£762.18	£0.50	£0.50	£0.50

Couple +				
1 Child	£199.49	£300.51	£242.51	£185.13
2 Children	£266.65	£233.35	£175.35	£117.97
3 Children	£333.81	£166.19	£108.19	£50.81
4 Children	£400.97	£99.03	£41.03	£0.50
5 Children	£468.13	£31.87	£0.50	£0.50
6 Children	£535.29	£0.50	£0.50	£0.50
7 Children	£602.45	£0.50	£0.50	£0.50
8 Children	£669.61	£0.50	£0.50	£0.50
9 Children	£736.77	£0.50	£0.50	£0.50
10 Children	£803.93	£0.50	£0.50	£0.50

*** Larger families who are currently subject to the cap have their HB restricted only. Post universal credit the amount of total benefit will reduce to benefit cap levels.

Croydon Council

REPORT TO:	CABINET 11th July
AGENDA ITEM:	16.1
SUBJECT:	Investing in our borough
LEAD OFFICER:	Sarah Ireland, Director of Strategy Communities and Commissioning
CABINET MEMBER:	Councillor Simon Hall Cabinet Member for Finance and Treasury
WARDS:	All
<p>CORPORATE PRIORITY/POLICY CONTEXT/AMBITIOUS FOR CROYDON: Effective outcome based commissioning and prudent financial transactions contribute to all corporate priorities.</p> <p>The Council's commissioning strategy sets out the approach to commissioning and procurement and puts delivery of outcomes at the heart of the decision making process. As the Council develops more diverse service delivery models, it is important to ensure that our contractual and partnership relationships are not only aligned to our corporate priorities but also represent value for money for citizens and taxpayers, contributing to the growth agenda for Croydon. The contracts (awarded or recommended for award) and partnership arrangements included in this report will support the Council to achieve the Ambitious for Croydon outcome "to be innovative and enterprising in using available resources to change lives for the better."</p>	
<p>FINANCIAL SUMMARY: There are no direct costs arising from this report.</p>	
<p>KEY DECISION REFERENCE NO.: There are key decisions mentioned in this report, but the recommendations in Section 1 of the report are not key decisions.</p>	

The Leader of the Council has delegated to the Cabinet the power to make the decisions set out in the recommendations below

1. RECOMMENDATIONS

1.1 The Cabinet is requested to note:-

1.1.1 The list of delegated award decisions made by the Director of Strategy Communities and Commissioning, between 19/05/2016 – 08/06/2016

1.1.2 Contract awards recommended to the Cabinet for approval which are the subject of a separate agenda item and referenced in section 4.2 of this report.

1.1.3 Property acquisitions and disposals to be agreed by the Cabinet Member for Finance and Treasury before the next meeting of Cabinet.

2. EXECUTIVE SUMMARY

2.1 This is a standard report which is presented to the Cabinet, for information, at every scheduled Cabinet meeting to update Members on:

- Contracts anticipated to be awarded under delegated authority from the Leader by the nominated Cabinet Member, in consultation with the Cabinet Member for Finance and Treasury and with the Leader in certain circumstances, before the next meeting of Cabinet.
[As at the date of this report there are none]
- Delegated contract award decisions made by the Director of Strategy Communities and Commissioning 19/05/2016 – 08/06/2016.
- Delegated award decisions made by the nominated Cabinet Member and the Cabinet Member for Finance and Treasury in respect to the Revolving Investment Fund (RIF) since last reported to Cabinet;
[As at the date of this report there are none]
- Property acquisitions and disposals to be agreed by the Cabinet or the Cabinet Member for Finance and Treasury (as appropriate) either as part of this agenda or before the next meeting of Cabinet.
- Contract awards to be agreed by the Cabinet at this meeting which are the subject of a separate agenda item;
- Partnership arrangements to be agreed by the Cabinet at this meeting which are the subject of a separate agenda item;
[As at the date of this report there are none]

3. DETAIL

3.1 Section 4.1 of this report lists the delegated award decisions made by the Director of Strategy, Communities and Commissioning, between 19/05/2016 – 08/06/2016.

3.2 Section 4.2 of this report lists the contract award recommended to the Cabinet for approval at this meeting. This contract award is the subject of a separate agenda item and is itemised in this report for information only.

3.3 Section 4.3 of this report lists the property acquisitions and disposals to be agreed by the Cabinet Member for Finance and Treasury before the next meeting of Cabinet.

3.4 Procurement strategies where the value of the proposed contract is above £5m and approved under the Leaders delegation by, as appropriate, Executive Directors for Place and People departments or the Assistant Chief Executive Corporate Resources for the Resources department in consultation with the Cabinet Member for Finance and Treasury are available on the Croydon Council website found via this link [Procurement Strategies](#)

3.5 The Council's Procurement Strategy and Tenders & Contracts Regulations are accessible under the Freedom of Information Act 2000 as part of the Council's Publication Scheme. Information requested under that Act about a specific procurement exercise or contract held internally or supplied by external organisations, will be accessible subject to legal advice as to its commercial confidentiality, or other applicable exemption, and whether or not it is in the public interest to do so.

4. FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

4.1 Delegated award decisions made by the Director of Strategy Communities and Commissioning

4.1.1 Revenue and Capital consequences of delegated decisions made by the Director of Strategy, Communities and Commissioning for contract awards between £100k & £500k and contract extension awards (no limit to value) that were previously approved as part of the original contract award recommendation.

Contract Title	Contract Revenue Budget	Contract Capital Budget	Dept
Managed Service Training Provider for a maximum 2 year term	Total contract award value will be less then £500k		Resources
West Thornton at Canterbury Mills – New 2FE Primary Academy, Temporary Accommodation		Total contract award value £499k	Place

4.2 Revenue and Capital consequences of contract award decisions to be taken by Cabinet which are the subject of a separate agenda item.

Contract Title	Contract Revenue Budget	Contract Capital Budget	Dept
Provision of Managed Services for Temporary Agency Resources for a maximum contract term of 4 years	Indicative total contract value £80m Approx. annual value £20m		Resources

Contract Title	Contract Revenue Budget	Contract Capital Budget	Dept
South London Waste Partnership Phase C for a contract term of 8 years, with two further opportunities to extend for 8 years (up to 24 years in total)		Total contract value £79.6m Approx. annual value £9.95m	Place

4.3 Property acquisitions and disposals over £500k to be agreed by the Cabinet Member for Finance and Treasury.

Contract Title	Disposal/income	Acquisitions/ expenditure	Dept
Letting of 9th and 10th floors BWH for 12 months	Rental Income of £825k		Resources

Approved by: Lisa Taylor, Assistant Director of Finance and Deputy Section 151 Officer

5. COMMENTS OF THE COUNCIL SOLICITOR AND MONITORING OFFICER

5.1 The Acting Council Solicitor comments that the information contained within this report is required to be reported to Members in accordance with the Council's Tenders and Contracts Regulations and the council's Financial Regulations in relation to the acquisition or disposal of assets.

Approved for and on behalf of Gabriel Macgregor, Head of Corporate Law Acting Council Solicitor and Acting Monitoring Officer.

6. HUMAN RESOURCES IMPACT

6.1 There are no immediate HR issues that arise from the strategic recommendations in this report for LBC staff. Any specific contracts that arise as a result of this report should have their HR implications independently assessed by a senior HR professional.

Approved by: Michael Pichamuthu, Strategic HRBP on behalf of Heather Daley, Director of Human Resources.

7. EQUALITY IMPACT

- 7.1 An Equality Analysis process has been used to assess the actual or likely impact of the decisions related to contracts mentioned in this report and mitigating actions have been defined where appropriate.
- 7.2 The equality analysis for the contracts mentioned in this report will enable the Council to ensure that it meets the statutory obligation in the exercise of its functions to address the Public Sector equality duty (PSED).
- 7.3 Any issues identified through the equality analysis will be given full consideration and agreed mitigating actions will be delivered through the standard contract delivery and reporting mechanisms.

8. ENVIRONMENTAL IMPACT

- 8.1 Any issues emerging in reports to the relevant Cabinet member will require these considerations to be included as part of the standard reporting requirements, and will not proceed without full consideration of any issues identified.

9. CRIME AND DISORDER REDUCTION IMPACT

- 9.1 Any issues emerging in reports to the relevant Cabinet Member will require these considerations to be included as part of the standard reporting requirements, and will not proceed without full consideration of any issues identified.

CONTACT OFFICER:

Name:	Genine Whitehorne
Post title:	Head of Strategy, Communities and Commissioning (Resources)
Telephone no:	60584

BACKGROUND DOCUMENTS:

The following public background reports are not printed with this agenda, but are available as background documents on the Croydon Council website agenda which can be found via this link [Cabinet agendas](#)

- Letting of 9th and 10th floors BWH for 12 months – **background paper to follow**

CONFIDENTIAL BACKGROUND DOCUMENTS- EXEMPT FROM PUBLIC DISCLOSURE

The following Part B background documents are exempt from public disclosure because they contain exempt information as defined in paragraph no. 3 of Schedule 12a to the Local Government Act 1972 (as amended).

Letting of 9th and 10th floors BWH for 12 months – **to follow - the confidential background paper will be available to Council Members on request**

For General Release

REPORT TO:	Cabinet 11 July 2016
AGENDA ITEM:	16.2
SUBJECT:	Contract Award for a Managed Service Provider for Temporary Agency Resources
LEAD OFFICER:	Sarah Ireland, Director Strategy, Commissioning and Communities Richard Simpson, Assistant Chief Executive (Corporate Resources) and Section 151 Officer
CABINET MEMBER:	Councillor Simon Hall Cabinet Member for Finance and Treasury
WARDS:	All
CORPORATE PRIORITY/POLICY CONTEXT/ AMBITIOUS FOR CROYDON & WHY ARE WE DOING THIS: Temporary agency workers are an important part of the Council's workforce and help to ensure resilient and flexible service delivery. This enables the Council to ensure resources are in place where required to cover short term or specialist requirements and continue to deliver high quality services thereby meeting the needs of service users. The new service model will ensure that the Council continues to deliver high quality and value for money public services. The new service will include a contractually mandated focus on ensuring local people are provided greater opportunity to fill temporary roles. The contract will ensure that there is sufficient flexibility to enable the Council to explore possibilities for alternative models of delivery, including in-house provision. Therefore this recommendation supports the ambition for promoting investment in Croydon's local communities; taking a prudent approach to managing the Council's finances and; improving value for money for local public services.	
FINANCIAL IMPACT: Current annual spend on temporary agency workers is circa £20million per annum. Therefore spend over the total term of the new contract (4 years) is forecast to be around £80million (indicative value). However, over the life of this contract the Council will be working to further develop its contract management arrangements and will through the proposed service model, develop a partnership approach with the successful provider to manage demand, and the market, in order to ensure the new contract delivers best value for money. This will include looking where appropriate to reduce the agency spend.	
KEY DECISION REFERENCE NO.: 19/16/CAB The decision may be implemented from 1300 hours on the expiry of 5 working days after it is made, unless the decision is referred to the Scrutiny & Strategic Overview Committee by the requisite number of Councillors.	

The Leader of the Council has delegated to the Cabinet the power to make the decisions set out in the recommendations below

1. RECOMMENDATIONS

- 1.1 The Cabinet is recommended to approve the award of a contract for a master vendor managed service provider for temporary agency workers to Adecco Group UK for a period of four years at an estimated total contract value of £80million by way of call-off from the Eastern Shires Purchasing Organisation's Managed Service for Temporary Agency Resource 2 (MSTAR2) Framework Agreement.

2. EXECUTIVE SUMMARY

- 2.1 The Council has undertaken a procurement exercise to engage a Managed Service Provider for Temporary Agency Resources to ensure the Council has a flexible workforce that is able to ensure service continuity and meet the needs of Croydon's communities.
- 2.2 The current contract for the provision of these services expires on 9 July 2016 however a further extension was approved by Cabinet on 25 April 2016 [decision reference A49/16] via a variation to the term of the original contract for three months commencing 10th July 2016 with the option to extend for a further two months (3 + 2 months). This extension will allow for an effective mobilisation period.
- 2.3 In accordance with the Leader's delegated decision [decision reference 48/16LR] the procurement strategy was approved by the Assistant Chief Executive (Corporate Resources) in consultation with and the Cabinet Member for Finance and Treasury and the Leader on 30 June 2016 [decision reference 04/16ACECR]
- 2.4 The purpose of this report is to advise Cabinet of the outcome of the tendering exercise and to seek recommendation of award of contract as set out in 1.1 above.
- 2.5 The content of this report has been endorsed by the Contracts and Commissioning Board.

CCB Approval Date	CCB ref. number
30/06/16	CCB1152/16-17

3. DETAIL

- 3.1 Temporary agency workers are an important part of the Council's workforce. The use of temporary resource enables the Council to deliver organisational objectives without interruption to resourcing levels, ensuring resilience and service continuity.

- 3.2 A Managed Service Provider will ensure the Council is able to access a wide pool of potential candidates and ensure that temporary resources are engaged in a way that complies with employment legislation and HMRC requirements.
- 3.3 A Make or Buy assessment was carried out and it showed that outsourced service provision would best deliver the intended outcomes and ensure a quality service in the short to medium term. It should however be noted that the opportunity exists for the Council to explore developing internal capacity and capability to deliver all, or part, of the service in-house in the future.
- 3.4 As the Council develops its approach to managing its workforce, it is important that a more integrated view of non-permanent engagement is developed which not only builds the internal capacity to deliver the services included in this contract but also aligns to the Council's approach to supporting career development through a range of different opportunities including secondments, work placements and apprenticeships. This contract will enable this approach and ensure flexibility by not guaranteeing any minimum levels of spend or volume. The Council will where appropriate be seeking to reduce the agency spend from current levels.

Procurement approach

- 3.5 A mini competition has been undertaken by the MSTAR2 London Collaboration ('The Collaboration') under Lot 2 (Master Supply Chain Management) of the Eastern Shires Purchasing Organisation's (ESPO) Managed Service for Temporary Agency Resource 2 (MSTAR2) Framework ('the Framework')
- 3.6 The Collaboration is a group of London and other local government authorities, including Croydon Council, working together on a collaborative basis to run a joint procurement for a London wide solution for the managed service provision of temporary agency workers under the MSTAR2 ESPO National Framework. The mini competition was led by London Borough of Newham, a member of the Collaboration
- 3.7 It is for each Contracting Authority within the Collaboration to decide whether, and if so when, to formally call-off from the Framework following conclusion of the mini competition. Each Contracting Authority will enter into a Framework access agreement with ESPO directly and a call-off contract with the preferred supplier. No contractual relationship will exist between members of the Collaboration or the lead organisation, the London Borough of Newham.
- 3.8 An invitation to Further Competition/Call Off was issued to the panel of providers appointed to the Framework (lot 2) and four bids were received.
- 3.9 The tender evaluation was based on a comprehensive evaluation matrix comprising quality 40% and price 60% as allowed under the Framework terms. Suppliers were clearly advised of the process which included an e-auction to establish final bid prices.
- 3.10 The evaluation panel consisted of a number of individuals from different local

authorities participating in the Collaboration. Scores were moderated by a representative from London Councils and Croydon Council.

- 3.11 The e-auction achieved savings of 44.18% on Adecco Group UK's pre and post e-auction price.

Total Scores are as follows:

Ranking	Supplier	Total Score (Quality & Price)
1	Adecco Group UK UK & I	88.775
2	Reed Specialist Recruitment Ltd	88.652
3	Hays Specialist Recruitment Ltd	86.884
4	Pertemps Recruitment Partnership Ltd	84.69

- 3.12 Voluntary Standstill Period

Though strictly not necessary under legislation, The Collaboration, as a matter of good practice, notified all suppliers of the intention to award to Adecco Group UK and entered into a voluntary standstill period on 1st April 2016. The Council will issue its own notification of award letter to the Provider, following the decision to award, and will enter into a further voluntary standstill period.

- 3.13 Adecco Group UK's tender submission has been subject to an evaluation process consistent with the methodology described in the invitation to tender documentation and due diligence has been undertaken and completed to the satisfaction of the evaluation panel.

- 3.14 This report seeks approval to accept the tender received from Adecco Group UK.

Evaluation

- 3.15 A value for money assessment was undertaken which modelled the Council's 15/16 spend against the bidder's tender submissions; this showed that the service would have cost £384k less if it had been provided by Adecco Group UK on the basis of tendered prices. The table below sets out the further details of the potential savings per spend category.

Category	Adecco Group UK tender prices	Current spend	Savings
Admin / Financial / Rev & Bens	3,035,501	3,109,194	-73,693
Catering/Hospitality	13,332	13,798	-466
Engineering /Surveying / Housing / Planning	1,580,527	1,612,745	-32,218
Facilities and Environmental Services	369,567	375,120	-5,553
Human Resources	25,869	26,533	-664

Information Technology	615,198	635,563	-20,365
Interim Executive	3,993,841	4,028,863	-35,023
Legal	392,165	399,865	-7,700
Manual Labour / Trades/ Driving	375,133	393,020	-17,887
Marketing	90,865	97,051	-6,186
Procurement	174,368	180,644	-6,276
Social Care	9,175,019	9,353,234	-178,215
Grand Total	19,841,384	20,225,630	-384,247

Contract management

3.16 The form of call off contract under the Framework to be entered into between the supplier and each Local Authority contains provision for each Authority to specify unique elements and services needed for each client (local specification). The Council is currently developing its local specification to ensure Croydon's local priorities in terms of driving growth and supporting local business and employment are thoroughly embedded in the future contract. These requirements will not substantively change the service delivered and as such it is not anticipated that there will be any significant commercial implications.

3.17 Priorities currently being scoped are set out below:

- Driving service through the local 'hub' based in Croydon, one of the largest in the country which has been working with the Job Centre and supporting local people for 20 years
- IT training and support for people who want to get back to work, which ultimately could end in a work placement
- Developing a local branch project focussing on 18-22 year olds leaving university/college and offering targeted opportunities to get them into work
- Developing potential scope for roles of equivalent Grade 4 and below to be only filled by local people through the aforementioned training programmes
- Inclusion of a Payroll Only/Referral category of supply saving money for candidates who have previously worked for Croydon
- Inclusion of an Executive & Specialist category which offers competitive rates through specialist agencies against other more expensive frameworks
- Development of the Service Level Agreement with an enhanced focus on customer service, specifically offering dedicated account management to support hiring managers and the contract management team.
- Verifying and agreeing the scope of audit and safeguarding under the service, specifically introducing up front audits against all placements
- Ensure all current SMEs sustain business with the Council - altering SME insurance requirements and ensuring SMEs are paid within one week of billing.

3.18 These will form part of the final call-off contract which will be managed in accordance with the Council's new commercial contract management model. As such the Category Manager Enabling will be responsible for supporting the Head of Service and relevant Director on commercial contract management.

3.19 Since January 2014 the Council has increased the focus and resource on the

Agency contract by hiring a dedicated contract manager and contract officer. Significant benefits have been delivered by the contracts team including both cost avoidance through active management of the market and service improvements.

- 3.20 Operational contract management resource requirements will be less under the Master Vendor Model as the provider will offer greater ordering manager support and provide more detailed management information as part of their core offer. However the good practice and demand management controls established under the existing contract will be replicated in the new contract as part of the previously mentioned local specification.
- 3.21 The resource requirement will be finalised as part of the contract mobilisation period. Any resource requirements will be met from within existing budgets within the SCC Resources team.

4. CONSULTATION

- 4.1 Officers across the Council have been engaged in the options appraisal shaping the preferred model for Croydon. This has included officers working within HR, frequent ordering managers and targeted conversations with the senior management teams in both adults' and children's social care.
- 4.2 As part of the London Collaboration the procurement leads have worked with officers from across London to agree the preferred procurement route and to manage the procurement process.

5 FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

- 5.1 The current spend on agency workers currently circa £20m per annum. This leads to a forecast of £80m over the four year life of this contract. However the Council will be looking to reduce agency spend over the lifetime of the contract. It is anticipated that there will be the opportunity to achieve efficiencies over the contract life and at current usage rates this is estimated to be approx. £380k per annum.

The effect of the decision

- 5.2 The effect of the decision will be to enter a contract for a managed service provider for temporary agency resources for a period of four years at a total estimated indicative cost of £80million.

Risks

- 5.3 There is a financial risk that the cost of agency staff will exceed available budgets but robust contract and demand management should enable any financial risks to be mitigated and it is anticipated that spend on agency staff will decrease throughout the contract period.

Options

5.4 All options considered have been set out in the main body of this report.

Future savings/efficiencies

5.5 The Council will continue to work over the next four years to reduce spend on temporary workers through effective contract management and by proactively working to manage market demands. Spend will continue to be monitored on a quarterly basis and the Strategic Category Manager (responsible for commercial contract management) will work with specific service teams, and HR, to identify interventions to continue to drive costs down.

Approved by Lisa Taylor, Assistant Director and Section 151 Officer

6. COMMENTS OF THE COUNCIL SOLICITOR AND MONITORING OFFICER

6.1 The Acting Solicitor to the Council comments that the procurement process as described in this report seeks to support the Council's duty to achieve best value pursuant to the Local Government Act 1999 and appears to have been undertaken in accordance with the requirements of the Eastern Shires Purchasing Organisation's (ESPO) Managed Services for Temporary Agency Resource 2 (MSTAR2) Framework

Approved on behalf of Gabriel Macgregor, Acting Council Solicitor & Acting Monitoring Officer

7. HUMAN RESOURCES IMPACT

7.1 HR needs to continue to be consulted to ensure that people resourcing is a priority and the use of temporary staff is appropriate. There are no other immediate Human Resources considerations arising from the award of contract for Council staff or workers.

Approved by: Michael Pichamuthu, HRBP on behalf of Heather Daley, Director of Human Resources

8. EQUALITIES IMPACT

8.1 An initial EIA has been completed and showed that the award of the contract is not likely to have an adverse impact on any protected group and as such a full analysis is not required.

9. ENVIRONMENTAL IMPACT

9.1 There are no environmental impacts arising from this decision.

10. CRIME AND DISORDER REDUCTION IMPACT

10.1 There are no crime and disorder reduction impacts arising from this decision.

11. REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

11.1 The recommendations set out in 1.1 will ensure the Council continues to have a flexible and resilient workforce to meet the needs of Croydon's communities whilst also ensuring best value for citizens and tax payers.

12. OPTIONS CONSIDERED AND REJECTED

12.1 The Council undertook a make or buy assessment as part of the commissioning process. This found that the Council does not currently have the required skills or knowledge to deliver this service itself. There is however opportunity to develop some level of in house provision over the lifetime of this contract.

12.2 In deciding the final procurement strategy, a thorough options appraisal has been carried out which considered a number of options for service delivery models including vendor neutral and hybrid models.

CONTACT OFFICER:

Name:	Genine Whitehorne
Post title:	Head of SCC Resources
Telephone number:	60584

BACKGROUND PAPERS - LOCAL GOVERNMENT ACT 1972

Initial Equality Impact Assessment