

# Scrutiny & Overview Committee Supplementary Agenda



- 2. Minutes of the Previous Meeting** (Pages 3 - 14)  
To approve the minutes of the meeting held on 1 March 2022 as an accurate record.
  
- 5. Call-In: Property Disposals as part of the Interim Asset Disposal Strategy** (Pages 15 - 24)  
As part of its consideration of the call-in request, the Scrutiny & Overview Committee is provided with additional information from the NHS.

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# Public Document Pack Agenda Item 2

## Scrutiny & Overview Committee

Meeting held on Tuesday, 1 March 2022 at 6.30 pm

This meeting was held remotely and a recording can be viewed on the Council's website

### MINUTES

**Present:** Councillors Sean Fitzsimons (Chair), Robert Ward (Vice Chair), Leila Ben-Hassel (Deputy-Chair), Richard Chatterjee (reserve for Jade Appleton) and Joy Prince

**Also Present** Councillors Hamida Ali and Callton Young.

**Apologies** Councillor Jade Appleton and Mike Bonello

### PART A

12/22 **Minutes of the Previous Meeting**

The minutes of the previous meetings held on 19 & 20 January 2022 were agreed as a correct record.

13/22 **Disclosure of Interests**

There were no disclosures of interest made at the meeting.

14/22 **Urgent Business (if any)**

There were no urgent items of business for consideration by the Scrutiny & Overview Committee at this meeting.

15/22 **Report in the Public Interest concerning the refurbishment of Fairfield Halls and related governance arrangements**

The Committee considered a report set out on pages 21 to 100 of the agenda which detailed the action plan created in response to the recommendations made in the Report in the Public Interest (RIPI), that had been accepted at the extraordinary Council meeting held on 3 February 2022. The action plan had been referred to both the Scrutiny and Overview Committee and the General Purposes and Audit Committee (GPAC) for comment before the final version is due to be considered by Cabinet on 21 March 2021. This process was the same as the one used for the previous RIPI considered in November 2020.

In relation to recommendation 7, the Vice-Chair of the Committee confirmed that he had sought further information about the Council's policies on data retention prior to the meeting. The response received had been reassuring, with an identified Data Protection Officer in place and a regular review schedule for the related policies. It was confirmed that a recent data breach relating to the Members app, had been immediately referred to the

Information Commissioner and an investigation into cause of the breach was currently ongoing.

In response to a question about which of the actions set out in the plan was likely to be the most challenging to implement, it was highlighted that the Council's record keeping had not been where it should be and a large piece of work across the Council was required to put this in order. The first step would be to review current practice regarding data retention and then put a new procedure in place for the organisation. The introduction of a new procedure would need to be supported by training for staff to ensure the new process was embedded in the culture of the organisation. It was important to ensure all staff were properly living any new processes introduced as a result of the RIPI.

The point was made by the Committee that document retention should also apply to the different versions of documentation to ensure that the history of a project could be traced if needed.

Given the scale of work proposed in the action plan, it was questioned whether there was sufficient capacity within the Council to ensure delivery. In response it was highlighted that one of the proposals agreed at the extraordinary Council meeting was to incorporate the action plan in the wider Croydon Renewal Plan, which was managed by the Programme Management Office. This would ensure that progress on delivery was regularly reported, allowing any issues to be identified at an early stage.

As the action plan referred to the introduction of a twelve-month forward plan, an update on the development of this was requested. It was confirmed that work had started in early 2021 to map out all the decisions the Council was expected to take up until the election in May 2022. That went into operation in March 2021 to help manage these meetings and was shared with officers over the summer. Copies had also been shared with Scrutiny Chairs to assist with work programming. The next step was to make it routinely available to all Members and the public, which was likely to happen after the election once know the new priorities of the Mayor could be mapped.

It was confirmed that as actions set out in the action plan were completed, the Internal Audit team would be testing the delivery of these actions to provide additional reassurance on delivery. It was also confirmed that the version of the action plan presented to Cabinet would have the gaps in the current version around delivery dates and the responsible Cabinet Member completed.

The point was made that it was important to have different layers of process in place to manage projects, with a greater level of rigour and structure needed for large scale projects such as the Fairfield Halls refurbishment. Processes were also needed to manage the client side of those projects contracted to a third parties and not delivered by the Council directly. It was agreed that action 8 should be strengthened to emphasis this point.

Given the RIPI referred to the Committee having scrutinised the Fairfield Halls refurbishment project and not being given the full picture on the status of the project, concern was raised that the provision of information to Scrutiny was not directly addressed in the action plan. It was highlighted that an information protocol had recently been produced which set out an expectation that information would be supplied to Scrutiny and there was a Statutory Scrutiny Officer in place to seek out the information when requested by Scrutiny. In almost all instances it would be expected that information would be provided to Scrutiny upon request.

It was suggested that Scrutiny could recommend to the Cabinet an amendment to action 1.4 to include the follow additional wording in italics: -

*'Progress reports on the delivery of major projects to Cabinet will also incorporate an assurance section that the requirements are to ensure the arrangements are lawful and have been met e.g. contracts signed, land correctly transferred etc prior to committing the Council contractually. These reports will also be available to the Scrutiny and Overview Committee in order to enable them to fully scrutinise the delivery of major projects based on the same full suite of information that is available to the Cabinet Members. These requirements will also be included in the new guide.'*

The Committee was provided reassurance that this would address the concerns raised about the ability of Scrutiny to access the relevant information needed to fulfil its role.

As the Council was currently in the process of creating a new Workforce Strategy, it was suggested that the principles raised in the RIPI needed to be incorporated in this strategy. It was confirmed that work on the internal priorities of the Council would be fed into the Workforce Strategy as it was essential to have the workforce directed in the right places. Going forward it would also be essential to ensure that the cost of staff supporting projects was built into the delivery costs of all new projects.

Given that any future large-scale projects undertaken by the Council were likely to be related to the renewal and improvement of the Council's housing stock, it was highlighted that there was a need to ensure that both residents, tenants and leaseholders were kept informed before and throughout the lifespan of any such projects. It was recognised that additional work was needed to strengthen the structure for resident engagement in areas such as capital works, with separate governance arrangement needed for large scale housing renewal.

It was noted that the interim Monitoring Officer had mentioned at the extraordinary Council meeting that the RIPI would be reviewed to identify whether there were any areas of concern that needed further consideration from a fraud perspective. Further explanation on the process for this was requested. The interim Monitoring Officer advised that when reading the RIPI during the preparation of his section 5 report, concern was raised about whether there could be issues of fraud from the information provided, which was the duty of the Monitoring Officer to raise.

Following the Council meeting a specialist firm had been engaged to investigate whether these concerns were real, with a report due at the end of March that would present an assessment of these concerns. It was clarified that the type of fraud referred to was an abuse of position fraud, rather than one for monetary gain. It was agreed that it was important that this clarification had been made in public to address any misconceptions created by recent press reports.

The Chair of the Committee highlighted that he had emailed the Head of Internal Audit to raise concerns about the possibility of fraudulent activity because of the information presented in the RIPI. It was confirmed that at the time of the meeting there had been no contact from the Police about their own investigation, although the Chief Executive had met with the Borough Commander who had been reassured by the process being followed by the Council.

At the conclusion of this item, the Chair thanked officers for their engagement with the Committee and noted that there would be a continued role for Scrutiny in the forthcoming year to monitor and test the delivery of the action plan once it had been agreed by the Cabinet.

### **Conclusions**

Following its discussion of this item, the Scrutiny and Overview Committee reached the following conclusions: -

1. The Committee was reasonably happy that the content of the action plan addressed the recommendations raised in the Report in the Public Interest.
2. Time would need to be set aside in the scrutiny work programme in the forthcoming year to review the delivery of the action plan and where appropriate to test progress made.
3. Given the reference in the Report in the Public Interest to the Scrutiny and Overview Committee not being presented with the complete information when it had reviewed progress on the refurbishment of Fairfield Halls, there was a need to reflect the requirement for Scrutiny to be able access information to conduct its work effectively.
4. Although it was accepted that any decision would be made on a case-by-case basis, there needed to be scope for Scrutiny to undertake site visits on major projects where appropriate.
5. There was recognition that the Council delivered a wide range of projects and as such there needed to be a reporting framework that could be tailored to projects of varying scale and took account of those projects not being delivered directly by the Council.
6. The commitment towards staff training to embed new processes across the Council was welcomed by the Committee.

7. It was agreed that processes arising from the Report in the Public Interest and the wider Croydon Renewal Plan needed to be reflected in the forthcoming Workforce Strategy.

### **Recommendations**

The Committee agreed to submit the following recommendations for the consideration of the Cabinet when it makes its decision on the final action plan.

1. Action 1.4 should be expanded to make reference to the ability of Scrutiny to access information, with the following wording suggested for the consideration of Cabinet: -

*'Progress reports on the delivery of major projects to Cabinet will also incorporate an assurance section that the requirements are to ensure the arrangements are lawful and have been met e.g. contracts signed, land correctly transferred etc prior to committing the Council contractually. These reports will also be available to the Scrutiny and Overview Committee in order to enable them to fully scrutinise the delivery of major projects based on the same full suite of information that is available to the Cabinet Members. These requirements will also be included in the new guide.'*

2. The action plan needed to reflect that future project governance should be reflective of the scale of each project, with an appropriate level of monitoring, reporting and resource allocated.

### **16/22 Budget Scrutiny 2022-2023**

The Committee considered a report set out on pages 101 to 270 of the agenda which presented the Administration's budget proposals for scrutiny prior to their consideration by the Cabinet and Council on 7 March 2022. The comments of the Committee would be reported at the Council meeting during the consideration of the budget item. The Committee was asked to reach a conclusion on the deliverability and sustainability of the budget, whether there was an understanding and ownership of the key risks to the budget by the Council's political leadership, along with any other conclusions the Committee wished to make on the budget.

The report was introduced by the Leader of the Council, Councillor Hamida Ali. During the introduction, the following points were noted: -

- The budget was the culmination of a year's work and thanks was given to officers from across the Council who had helped to ensure its delivery.
- The past year had seen a significant shift in the culture and management of the Council following the creation of the Croydon Renewal Plan.

- The forthcoming financial year was likely to be even more challenging with £55m of savings to be delivered.
- At the end of month 9 of the 2021-22 budget year, the Council was still on track to deliver £44m of savings, which helped to provide assurance the Council was able to manage its own budget.
- There had been a number of difficult decisions taken during the development of the proposed budget, but there had been a focus on protecting frontline services. In doing so, there had been an emphasis on delivering the best value for money wherever possible, which had included reducing senior staff spend by £1m, renegotiating contracts and continuing to ensure the best use of the Council's assets.
- As well as making savings, there was also new investment in the budget, which included £1.3m to support SEND students and growth added to the grounds maintenance budget.
- A key risk to the budget, which was highlighted in the report, concerned the historic accounting treatment in previous year's budgets. Significant work was underway with the auditor to find a resolution, however at this stage the outcome of this work was not clear. As such it was important to be transparent on this risk given its potential impact.
- The Council was still waiting to receive written confirmation from the Government on the £25m capitalisation bid, which was needed before the final budget could be approved. However, the Improvement and Assurance Panel have confirmed its approval of this being granted and it was likely to be formally confirmed in the coming days.
- The budget also included a proposal to add £22m to earmarked reserves which demonstrated the Administration's determination to improve the Council's long term financial position.

Following the introduction, the Chair provided a summary of the budget scrutiny work undertaken over the past year, which culminated at this meeting. This work included regular scrutiny of the delivery of 2021-22 budget, training with the Centre for Governance and Scrutiny and a number of informal briefing sessions to ensure the Committee and its three Sub-Committee had an understanding of the budget proposal in their respective areas. At each of its meetings since 7 December, the Committee had included an item on progress made with setting the 2022-23 budget. In January, the Committee and its three Sub-Committee had each conducted deep dives on specific areas of risk within service budgets, with the Chairs given the opportunity to provide feedback.

The Chair of the Children & Young People Sub-Committee, Councillor Robert Ward, highlighted that the response provided by the officers to the Sub-Committee's budget questions had been first rate. The areas reviewed by the Sub-Committee were managing the reduction of care packages, the support for vulnerable adolescents and the budget for unaccompanied asylum-



seeking children (UASC). Officers had responded well to the questions raised by the Sub-Committee, who concluded that sufficient reassurance had been given that the savings were deliverable and could be managed safely. However, it was also agreed that these areas would need to be revisited throughout 2022-23 to ensure that the savings remained on track for delivery.

The Streets, Environment & Homes Sub-Committee had also reviewed three areas, which were the Independent Travel service, Grounds Maintenance service and the Temporary/Emergency Accommodation service. One of the key risks for both Temporary Accommodation and Independent Travel was the demand led nature of these services. The Sub-Committee was reasonably reassured that the budgets produced for both services had been reasonably well assessed in terms of risk management but felt that there was still sufficient uncertainty that could have a significant impact upon the Council's budget.

The discussion on the Ground Maintenance budget focussed on the proposal to reverse budget cuts introduced in 2021-22. The Sub-Committee welcomed confirmation that the additional budget would not simply focus on increasing the number of cuts delivered, but would instead have specifically tailored requirements dependent on the maintenance needs of specific areas. It was understood that further work was required to define this need. As it was noted that it had been challenging to recruit seasonal workers last year, reassurance was given to the Sub-Committee that recruitment would start earlier than before.

The Streets, Environment & Homes Sub-Committee had also been given the opportunity to provide feedback on the budget for the Housing Revenue Account. As the Business Plan was not available when the budget was considered it had been difficult for the Sub-Committee to make a definitive judgement on whether it was deliverable at this stage. The Sub-Committee had suggested that the Administration should consider delaying the 4.1% rent increase in light of the challenges facing the Housing Service but acknowledged that this may be difficult to implement and required further exploration.

The Health and Social Care Sub-Committee had focussed on the proposed reduction in care packages and the management of demand within Adult Social Care. There was evidence to suggest that the service had strengthened its financial controls over the past year through examples such as the recovery of the budget for the Transitions service. The Sub-Committee was given reassurance that any changes made to care packages would be managed with the full involvement of the service users and their carers. Overall, it was concluded that the budget proposals for Adult Social Care, while challenging, were sustainable and deliverable.

The Scrutiny and Overview Committee focussed on the preparations for the move to the Mayoral model of governance, concluding that a good level of progress had been made in advance of the election in May 2022. The Committee had also reviewed whether there was sufficient capacity within the corporate centre of the organisation to deliver the ongoing improvement work

required in the Croydon Renewal Plan. From the response given, there was an indication that the culture of the Council was changing in the right direction and would continue going forward through workstreams such as the new Workforce Strategy. It was agreed that this was an area that should be scheduled for review by the Committee in 2022-23.

An update on the budget position since the previous meeting of the Committee in January was provided. It was confirmed that the government settlement was £1.4m higher than had previously been budgeted and included compensation for business rates being set using the Retail Sales Index rather than the Consumer Price Index. Following a review of the cost for UASC the amount allocated in the base budget for 2022-23 had been reduced by £2m. The budget included provision for a 5% inflationary increase and 3% for the staff pay award.

Following the introduction to this report, the Committee proceeded to scrutinise the information provided. The first area of focus was the budget for UASC, with concern raised that it seemed to have been based upon the Government reimbursing the Council for the disproportionate costs, when it was advised that the funding provided in the current year had been a one-off allocation. It was advised that the financial modelling for the cost of supporting UASC was complex and refreshed monthly. The Home Office was aware of the disproportionate impact on the Council's budget and conversations were ongoing about support required to alleviate these budget pressures. It was recognised that the impact of the conflict in Ukraine would need to be monitored as it could potentially lead to additional refugees requiring support.

In response to a question about the reduction in the cost for the freedom travel pass, it was confirmed that the amount paid was based on the number of journeys each year and set in advance. As a result of the pandemic there had been significantly fewer journeys, which had resulted in a rebate.

It was noted that the Council had not been undertaking monthly reconciliation and it questioned whether this was a risk. It was confirmed that it had been identified as a risk and the Council was working with CIPFA to address the issue.

Regarding the potential risk from the issues raised by the external auditor around the accounting treatment for Croydon Affordable Homes in the 2019-20 budget, it was confirmed that work was ongoing at present to understand the full picture, with expert advice being sought. At this stage it was difficult to predict the outcome, but it was important for the budget report to be transparent about potential risks. A proposal to mitigate the risk, should it materialise, had been prepared. It was highlighted by the Committee that the risk had first been flagged to them in March 2021, when it was advised that the issue was a matter of the accounting treatment and would be resolved in a few weeks. As such, it was concerning that discussions were still ongoing, and it was now being flagged as a major risk.

In response to a question about what the main risks to the delivery of the budget were, it was advised that other than those already mentioned, the

possibility of inflation rising above the 5% that had been budgeted was a significant risk, as each percentage increase in inflation equated to £4m in the Council's budget. The proposal to hold the reserve for inflationary costs corporately would help to ensure that contractors did not automatically pass their own inflationary costs onto the Council. The Programme Management Office had been strengthened to bring additional resource to the oversight of the savings delivery programme, as monitoring would be key to ensuring the budget remained on-track.

It was highlighted that a proportion of the Council's debt was short term and should there be an increase in interest rates it was possible that cost of this debt could increase significantly. It was questioned whether any regard had been taken of the potential materialisation of this risk. It was acknowledged that a potential increase to interest rates was a significant risk and was being managed by the Treasury Management Team. The Committee agreed that it would be prudent to explore further mitigation to manage the potential impact of future interest rate increases.

At the conclusion of this item the Chair thanked the Leader, the Cabinet Members and officers for their participation in the budget scrutiny process over the course of the past year, noting that the increase transparency was welcomed.

## **Conclusions**

Following its review of the Administration's budget proposals, the Scrutiny and Overview Committee reached the following conclusions: -

1. Taking account of the evidence heard by the Committee at its previous meetings and from the discussion at the meeting on 1 March 2020, it was agreed that significant weight could be given to the Section 25 report of the Section 151 Officer and the robust advice provided in the report was welcomed. The Committee was pleased to note that the preparation of the report had been coordinated between the previous and the new Section 151 Officers to agree the content.
2. The Committee welcomed confirmation that the 2021-22 budget was currently projecting a slight underspend at month 9, which could be seen as a reason for greater confidence in the Council's ability to deliver the £55m savings required in 2022-23 budget. However, there should be no underestimation of the scale of the challenge facing the Council in the forthcoming year, which was even greater than the one in 2021-22.
3. The Committee felt that the political and corporate management of the Council had a good understanding of the key risks to the 2022/23 budget, which are outlined within the report. It was agreed that the risk relating to the accounting treatment of Croydon Affordable Homes was significant and if poorly handled and could derail the Council's budget for 2022-23 and even result in the need

for another Section 114 notice to being issue due to the potential financial impact should there be a negative resolution. However, a level of reassurance could be taken from the Section 25 report that this risk could be managed providing appropriate mitigation was put in place.

4. Given the volatile world economy, the Committee highlighted that potential interest rate increases were likely and as such there was a risk that this would impact upon the cost of the Council's short term debt. It was agreed that this should be considered a risk to the delivery of the budget and would recommend the development of a hedging strategy to manage this risk and minimise the cost of increased interest payments.
5. The Committee agreed that it was prudent for the Council to have budgeted 5% for the potential cost of inflation in the forthcoming year. However, there was also a realisation that inflation could rise even higher, with the impact of the war in Ukraine not known at this stage. As such it was agreed that managing the impact of inflation was likely to be one of the key risks to the delivery of the budget.
6. The Committee welcomed the continued drive to increase the level of earmarked and general fund reserves held by the Council. It was agreed that this should continue to a priority in future budgets to ensure that the Council was in a strong position to manage any future, unforeseen risks.
7. Finally, the Committee concluded that there had been a robust process to set the budget and that the budget proposed reflected the two priorities identified by residents, which were adult and children's social care and prioritising services for the most vulnerable.

## **Recommendations**

The Scrutiny and Overview Committee agreed to refer the following recommendations to the Council during its consideration of the budget: -

1. The Scrutiny and Overview Committee would request that Members are kept informed on the progress made in the negotiations with the auditors to resolve the issues concerning the signing-off 2019-20, 2020-21 accounts.
2. The Scrutiny and Overview Committee would recommend to the Council that a hedging strategy is put in place to manage the possible negative impact of interest rate increases upon the Council's debt repayments.
3. The Scrutiny and Overview Committee agreed that scrutiny of the delivery of the 2022-23 budget would continue to be a significant part of its work programme in the forthcoming year and would

request that the Committee is kept informed of any changes in the status of the key risks identified in the Section 25 report.

4. The Committee also recommends earlier engagement by the Council on the budget setting process, which should be a year-round process, and would provide more opportunities for councillors and the public to engage in in the formation of future budgets, before choices are locked in.

17/22 **Exclusion of the Press and Public**

This motion was not required.

The meeting ended at 10.15 pm

**Signed:**

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**Date:**

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# Out Of Hospital Strategy –

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## Strategic environment

The One Croydon Alliance is implementing a transformation of Out-of-Hospital and Planned Care across the borough through the adopting of a radical new, shared model of care, as envisaged in the NHS Long-Term Plan and Croydon Health and Care Plan . The new model will deliver locality-level teams, configured to the particular needs of that area. These multi-disciplinary, multi-agency teams will coordinate care for identified patient groups to help more proactively manage their health and wellbeing.

This will see more care provided in primary and community care locations, shifting the focus of care from the acute sector. Services will focus more on prevention and maintenance of good health and wellbeing, and away from reactive historic patterns. The aims of this new model will be to create better local care, improve the experience of health and wellbeing for residents and patients, and integrate services across the sector, bringing together statutory and non-statutory agencies in a joined-up model.

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# Out Of Hospital Strategy – New Addington

In the South East locality, there is also a need for improved and expanded primary and community health facilities, both to accommodate this new model of care, but also to address an under-provision of services in the locality; the primary care shortfall is projected to reach 1,397m<sup>2</sup> by 2039 (equivalent to around 51.4% of the current GIA ). There is a particular issue around Parkway Health Centre (Parkway HC), which is the current hub for health and wellbeing services in the area and is of poor quality and has limited scope for redevelopment.

In addition, the New Addington area in particular exhibits high levels of deprivation, particularly among children and young people.

**The Centre will include the following:**

21 consulting rooms

5 treatment rooms

Big group room

Space for voluntary sector – information and advice

Touch down desk space for health and social care staff.

Community Diagnostic Centre

2100 m<sup>2</sup>

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# South East

## Original scheme

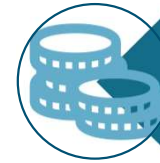
### Health and Wellbeing Centre (HWC)

#### Part of town centre redevelopment

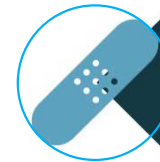
- Original project Council-led (Brick-by-Brick)
  - Cancelled late 2020
- Health + Social Care elements
  - Area of high need (*see graphic*)
  - Healthcare component
    - Primary care
    - Community element (2x C/E, 4x Treatment, Podiatry)



Young demographic



High deprivation




Specific health and care needs

### New Addington redevelopment

Original proposal was a leased HWC as part of the proposed Council-led redevelopment of New Addington. This would have been adjacent to a hub for Council-provided services such as Housing, Education, Social Care, etc.

The option was rejected as the project was cancelled due to the Council's financial challenges.



*Image: Avanti architects*


<p><b>Positives:</b></p> <ul style="list-style-type: none"> <li>✓ Central location</li> <li>✓ Adjacency to Council services</li> <li>✓ Purpose-Built</li> </ul>	<p><b>Drawbacks:</b></p> <ul style="list-style-type: none"> <li>✗ Timescale beyond Wave 3 funding limits</li> <li>✗ Dependency on Council to progress</li> <li>✗ Affordability to Council (Section 114)</li> </ul>
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### Rebuild on Parkway HC site

The second option considered was to rebuild adjacent to the current Parkway HC. The existing Health Centre would then have been demolished, to make way for a car park.

The option was rejected due to it being unaffordable.



*Image: Academy Consulting*


<p><b>Positives:</b></p> <ul style="list-style-type: none"> <li>✓ Timescales</li> <li>✓ Existing NHS site</li> <li>✓ Minimise disruption (vs. refurbishment)</li> </ul>	<p><b>Drawbacks:</b></p> <ul style="list-style-type: none"> <li>✗ Capital cost (c.£7m)</li> <li>✗ Deliverability</li> <li>✗ Issue with obtaining site</li> </ul>
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### New Town Centre site

The latest option would see the HWC in a new build facility in the town centre, adjacent to the new Leisure Centre. This would be part of a revised redevelopment of New Addington, but the HWC development would be led by the NHS, unlike the original option. Programme delivery is Feb 2024.

The option is being considered.



*Image: MEB Architects*


<p><b>Positives:</b></p> <ul style="list-style-type: none"> <li>✓ Central location</li> <li>✓ Adjacency to Leisure Centre</li> <li>✓ Disposal receipt from sale of Parkway</li> </ul>	<p><b>Drawbacks:</b></p> <ul style="list-style-type: none"> <li>✗ Revenue costs</li> <li>✗ Programme vs Wave 3 funding cut-off</li> <li>✗ Need to procure site</li> </ul>
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### Extend existing Parkway HC

Two different options for extending and refurbishing the current Parkway HC were considered, both retaining the majority of the current NHS facility (substantially unchanged) – therefore not addressing current issues.

This option was rejected due to costs and the operational disruption.



*Image: Academy consulting*

<p><b>Positives:</b></p> <ul style="list-style-type: none"> <li>✓ No land purchase needed</li> <li>✓ Existing NHS site</li> <li>✓ Lower capital costs (vs. new build)</li> </ul>	<p><b>Drawbacks:</b></p> <ul style="list-style-type: none"> <li>✗ Disruption to services during works</li> <li>✗ Capital cost c. £3m</li> <li>✗ Poor quality of existing Parkway HC</li> </ul>
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# Options process to date

## Range of possible options considered

### Background

The Croydon Out of Hospital (OOH) programme provides the Borough with a range of possible benefits:

- Care closer to home
- Released capacity in acute estate
- More responsive services, focused on prevention

The OOH programme has identified potential efficiency benefits of c.£2.96m p.a.

**However, the full benefit and improvements in efficiency from the OOH programme can only be achieved if the primary and community estate has sufficient capacity.**

The current Parkway Health Centre is no longer fit for purpose. The proposed solution is therefore a new **Health & Wellbeing Centre (HWC)**, offering improved primary and community facilities.

### Options considered to date

A range of options have been considered for the locality:

**New Addington redevelopment:** A new-build as part of a Council-led redevelopment of New Addington town centre *(Rejected)*



**Rebuild on Parkway HC site:** A new-build HWC on the existing Parkway HC site (current building would be demolished) *(Rejected)*

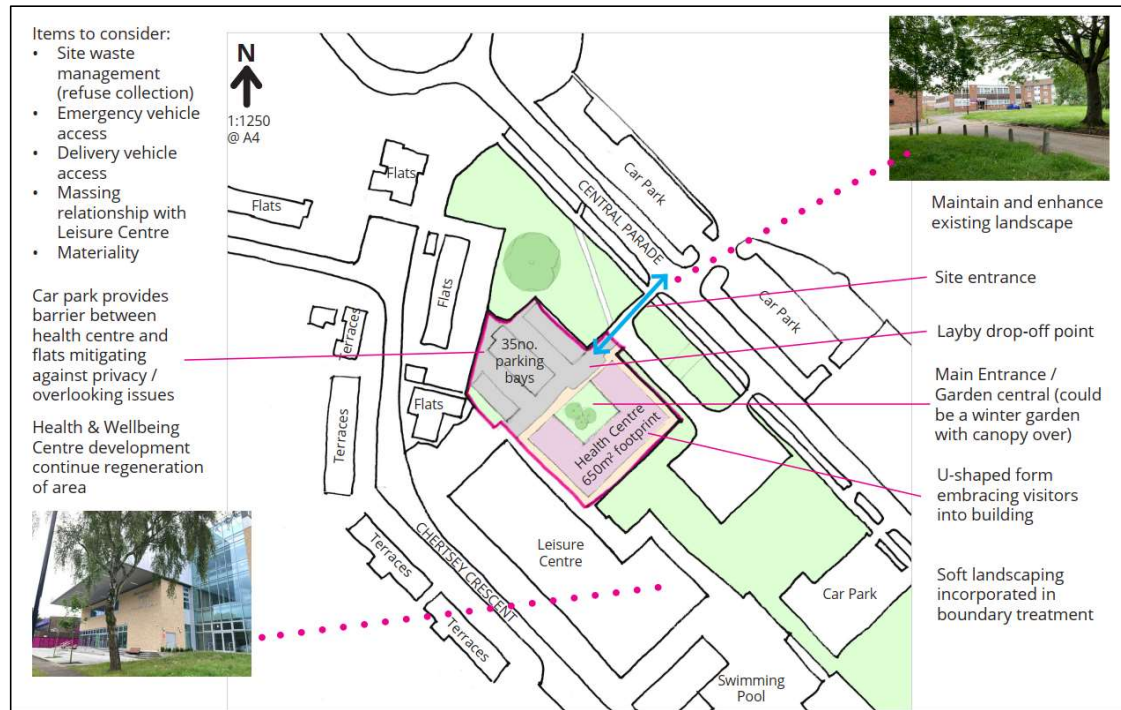


**Extend existing Parkway HC:** Various options for extending the existing Parkway HC were assessed, all of which retained elements of the existing facility *(Rejected)*



**New Town Centre site:** A new-build HWC on a town-centre site, development to be led by the NHS (land currently Council-owned)

# New Addington site



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# Locality Population profile

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The population of South East locality based on Office of National Statistics (ONS) data (2020) was estimated at around 42,221 with the following characteristics:

- A higher proportion of children (0-15) (23.6%) than the England average and Croydon as a whole (Croydon in turn has a relatively young population compared to the rest of the country)
- A smaller working age population (16-64) than either comparator (60.1%)
- A higher proportion of those aged over 65 (16.4%) than the Croydon average, although below the average for England.

The population characteristics of the locality differ between the two main areas: New Addington has the younger population, with needs related to its age profile (e.g. maternity and care for children), whereas Selsdon has an older population with different needs (Long-Term Conditions (LTCs), Cancer, etc.)

The New Addington area in particular exhibits relatively high deprivation levels, with nearly 69% in the most deprived 20% nationally on the Index of Multiple Deprivation (IMD) metric, with 42.9% of LSOAs in the most deprived 20%.

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# Locality Health and Care Needs

The New Addington area in particular suffers from high rates of deprivation in children, with a number of wards being in the top 10% of most deprived in the country.

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## General Practice

Data shows that the GP practice list sizes in the area is projected to grow at over 11% over the next decade, placing additional pressure on already-stretched resources.

Croydon CCG's Estates Strategy 2016 prioritised the locality for future funding and estate expansion, mitigating both the marked deprivation of New Addington and the growth in population and the impact of the Local Plan's additional housing stock.

### Key issues for Children's services in Croydon:

- Croydon has the largest child population in London
- Almost a fifth (18.7%) of children under 16 in Croydon live in low income families
- High levels of childhood obesity
- U-18 admissions for mental health conditions are higher than London and national averages

### Issues for New Addington specifically:

- New Addington has 7.2% of Croydon 0-17 year olds
- Low rates of immunisation e.g. MMR2 only 43.9% of 5 year olds (67.0% Croydon, London 77.8%)
- 15.7% of Croydon's looked after children
- 13.5% of all Early Help referrals (Jan-May 2019)



# Locality Health and Care Needs

Specific issues in the locality include :

- None of the postcode (LSOA) areas in New Addington are classified as “Healthy” on the ACORN wellbeing scale (the highest of the four ratings)
- 11.5% of the locality as a whole is classified as “Health Challenged” (the lowest rating)
- More than 20% of people smoke (highest in the Borough)
- Nearly 15.5% of the population suffer from Hypertension (high blood pressure), an indicator for Cardio-Vascular Disease risk, Stroke and other conditions.

South East	
<b>Total Number</b>	5,486 people have been diagnosed with depression (3 <sup>rd</sup> highest out of 6 localities)
<b>Rate</b>	1,261 per 10,000 population have been diagnosed with depression (Highest out of 6 localities)
<b>High Density Areas</b>	- Middle part of Selsdon and Addington Village ward

South East	
<b>Total Number</b>	2,785 people diagnosed with diabetes (Lowest out of 6 localities)
<b>Rate</b>	6.4% of people diagnosed with diabetes (2 <sup>nd</sup> highest out of 6 localities)
<b>High Density Areas</b>	- Most of New Addington North ward - Parts of New Addington South ward - Half of Selsdon and Addington Village

South East	
<b>Total Number</b>	6,733 people diagnosed with hypertension (2 <sup>nd</sup> lowest out of 6 localities)
<b>Rate</b>	1,548 per 10,000 population diagnosed with hypertension (Highest out of 6 localities)
<b>High Density Areas</b>	East part of Selsdon and Addington Village ward

South East	
<b>Total Number</b>	8,938 current smokers (3 <sup>rd</sup> highest out of 6 localities)
<b>Rate</b>	2,055 per 10,000 are current smokers (Highest out of 6 localities)
<b>High Density Areas</b>	- New Addington North and South wards - Two small areas in the south of the Selsdon and Addington Village ward

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# Timeline

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## Proposed timelines

- Agree disposal at Cabinet in March 2022
  - CCG outline business case approval June 2022
  - Option Agreement put in place with PHP June 2022
  - Scheme prepared and planning submitted October 2022
  - Planning granted January 2023
  - Start on Site March 2023
  - Completion March 2024
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